

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, MARCH 15, 1928



Time-Tested and Financially
a Bulwark of Strength, Em-
phasizing Good Faith and
Integrity in All Relations
with Agents and
Policyholders.

NORWICH UNION

FIRE INSURANCE SOCIETY, LTD.
75 Malden Lane, New York

Hart Darlington, Manager

EAGLE FIRE COMPANY

of NEW YORK

INCORPORATED 1806

75 Malden Lane, New York

Hart Darlington, President

The Oldest New York Insurance Company

NORWICH UNION

INDEMNITY COMPANY

75 Malden Lane, New York

H. P. Jackson, President

In NORWICH UNION there is strength.

COMPANIES

75TH
Anniversary

Why They Consider Us
FOUR SQUARE
With Agents ~

Absolute Fairness
Mutual Understanding
Experience
Regard for Agency System
Interest in Agents' Welfare
Complete Efficiency
Acquaintance with Agents
Never Fails to Fulfill Obligations

Company Friendship
Earnest Helpfulness
Notable Sympathy
True Honesty in Business Conduct
Realizes Agents' Problems
Always Dependable
Loyalty

ACQUAINTANCE WITH
AGENTS

The superlative degree of an agent's satisfaction rests in the knowledge that his position in his community will be sustained by the company in accepting his judgment. This can be attained only through a wide acquaintance with agents and understanding of valuation of services rendered.

The American Central is constantly demonstrating unusual ability to strike and hold the personal note. Its agents know their problems will be met in a courteous, sympathetic and intelligent manner.

JOHN C. KELLY
WHEELER, KELLY, HAGNY CO.,
WICHITA, KANSAS

AMERICAN CENTRAL INSURANCE CO.

SAINT LOUIS

B. G. Chapman, Jr., President

D. E. Monroe, Vice Pres. and Secretary

WHEN?

WHEN you encounter trouble—accidents, fires, theft, collision, lawsuits, or other causes of financial worry . . .

Then you will realize that the competent insurance man is your best friend . . . practically helpful . . . on the job . . .

WHEN you realize that The Employers' Liability Assurance Corporation, Ltd., is the world's pioneer in liability insurance, and has had a steady and substantial growth; *when* you realize that, with its affiliated companies, the American Employers' Insurance Company and The Employers' Fire Insurance Company, it writes practically every form of insurance except life; and *when* you discover that "the Service that Satisfies" has a genuine meaning, is a *policy* rather than a phrase . . .

Then you will appreciate that The Employers' Group does everything possible to see to it that its representative in a given locality is THE competent insurance man.

There's an Employers' Group Representative in Your Neighborhood

{ OUR booklet, "The Pioneer's Primer," will suggest to you your insurable interests. Your request for it incurs no obligation, nor will our representative call upon you as a result. }

1928 JANUARY 1928	1928 FEBRUARY 1928	1928 MARCH 1928
SUN MON TUE WED THU FRI SAT	SUN MON TUE WED THU FRI SAT	SUN MON TUE WED THU FRI SAT
1 2 3 4 5 6 7	1 2 3 4	1 2 3
8 9 10 11 12 13 14	5 6 7 8 9 10 11	4 5 6 7 8 9 10
15 16 17 18 19 20 21	12 13 14 15 16 17 18	11 12 13 14 15 16 17
22 23 24 25 26 27 28	19 20 21 22 23 24 25	18 19 20 21 22 23 24
29 30 31	26 27 28 29	25 26 27 28 29 30 31
1928 APRIL 1928	1928 MAY 1928	1928 JUNE 1928
SUN MON TUE WED THU FRI SAT	SUN MON TUE WED THU FRI SAT	SUN MON TUE WED THU FRI SAT
1 2 3 4 5 6 7	1 2 3 4 5	1 2
8 9 10 11 12 13 14	6 7 8 9 10 11 12	3 4 5 6 7 8 9
15 16 17 18 19 20 21	13 14 15 16 17 18 19	10 11 12 13 14 15 16
22 23 24 25 26 27 28	20 21 22 23 24 25 26	17 18 19 20 21 22 23
29 30	27 28 29 30 31	24 25 26 27 28 29 30
1928 JULY 1928	1928 AUGUST 1928	1928 SEPTEMBER 1928
SUN MON TUE WED THU FRI SAT	SUN MON TUE WED THU FRI SAT	SUN MON TUE WED THU FRI SAT
1 2 3 4 5 6 7	1 2 3	1
8 9 10 11 12 13 14	5 6 7 8 9 10	7 8
15 16 17 18 19 20 21	12 13 14 15 16 17	
22 23 24 25 26 27 28	19 20 21 22 23 24	
29 30 31	26 27 28 29 30	
1928 OCTOBER 1928	1928 NOVEMBER 1928	1928 DECEMBER 1928
SUN MON TUE WED THU FRI SAT	SUN MON TUE WED THU FRI SAT	SUN MON TUE WED THU FRI SAT
1 2 3 4 5 6	1 2 3 4 5	1
7 8 9 10 11 12 13	11	7 8
14 15 16 17 18 19 20		
21 22 23 24 25 26 27		
28 29 30 31		



THE
EMPLOYERS'
LIABILITY ASSURANCE CORPORATION, LTD.

THE
EMPLOYERS'
FIRE INSURANCE COMPANY
AMERICAN
EMPLOYERS'
INSURANCE COMPANY

*Practically every kind of Insurance
except Life Insurance*

110 MILK STREET, BOSTON, MASS.

"The Home of the Service that Satisfies"

THE above advertisement is a facsimile of that appearing in current issues of the *Atlantic Monthly*, *Harper's*, *Review of Reviews*, *Scribner's*, *World's Work*, and the *Golden Book*—yes, THE EMPLOYERS' GROUP believes in the American Agency system. We believe that such advertising will benefit the insurance business. We believe that it will benefit particularly the representatives of THE EMPLOYERS' GROUP.

We are proud of the growth of our agency force. We are proud of the large number of loyal agents who have been associated with us for many, many years. At the same time we are glad to say that some agency connections are still available for the competent insurance man.

A FEW FACTS ABOUT THE TRAVELERS

Has been writing accident insurance since 1864—pioneer in what is today one of the most common forms of protection.

Has more than double the regular accident insurance of any other commercial company in the world; 1927 accident premium volume was \$11,078,275.32.

Has been writing guaranteed low-cost life insurance since 1865; has total life insurance in force of over \$4,198,968,680.

Has 53% more business in automobile liability and property damage insurance than any other company; 1927 premium volume was \$21,988,620.96.

Leads the world in number of employers served by all forms of employer-employee insurance.

Has insured January 1, 1928, under group life policies, 915,516 employees for \$1,198,909,523 under contracts with 23% more employers than are so insured by any other company in the world.



THE LARGEST MULTIPLE-LINE
INSURANCE ORGANIZATION
IN THE WORLD

Has over 68% more liability and compensation business than any other company; 1927 premium volume in these lines was \$46,871,145.34.

Has more than 77,000 employers of labor insured under compensation policies.

Leads in burglary insurance.

Has paid for the prevention of accidents by inspection \$19,963,923; 740 actively employed in the Inspection Division; made 464,662 inspections in 1927.

Is represented by more than 40,000 agents and brokers; has in addition over 5,000 Accident Ticket agents.

Maintains 214 Claim service offices; has paid claims amounting to \$650,187,647; issued over 909,000 bank drafts and checks for policy benefits in 1927.

Total income of The Travelers Companies 1927, \$198,596,333.

FINANCIAL CONDITION JANUARY 1, 1928

	THE TRAVELERS INSURANCE COMPANY	THE TRAVELERS INDEMNITY COMPANY	THE TRAVELERS FIRE INSURANCE COMPANY
Assets	\$489,700,320	\$19,352,222	\$14,350,377
Reserves for Policyholders and all other Liabilities	450,763,300	11,453,292	9,599,229
Capital	15,000,000	3,000,000	2,000,000
Surplus as regards Policyholders	38,937,020	7,898,930	4,751,148

THE TRAVELERS

THE TRAVELERS INSURANCE COMPANY THE TRAVELERS INDEMNITY COMPANY
THE TRAVELERS FIRE INSURANCE COMPANY

HARTFORD, CONNECTICUT

The National Underwriter

Thirty-Second Year No. 11

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, MARCH 15, 1928

\$4.00 Per Year, 20 Cents a Copy

FAT THROWN IN FIRE IN CHICAGO ISSUE

Recall of Western Insurance Bureau's Meeting Muddies the Waters

INTEREST NOW IS TENSE

Speculation as to What Will Be the Next Move on the Checker Board

The fat was thrown into the fire in Chicago last week when the Western Insurance Bureau called off its meeting that was to have been held Tuesday to discuss the Chicago situation. The Western Union had held a special meeting the week before and had unanimously adopted a program for the government of Chicago and Cook county. The Western Union special conference committee that had been meeting with a similar committee from the Western Insurance Bureau and the Chicago Board understood that the Bureau would have its meeting the day after the Western Union meeting and the Union conferees contend that such was the understanding. The Western Insurance Bureau postponed its meeting for a week. President H. A. Clark of the Bureau had to be at his home office last week and could not be present at the meeting. The Union people are inclined to feel that during the week powerful influence was brought against Bureau members on the part of Chicago agents leading to the calling off of the meeting.

Statement Is Issued

President Clark of the Bureau plainly stated, however, that his organization had no issue whatever with the Western Union. He said that the Chicago Board committee had not agreed to any plan and hence it would be futile to hold a meeting of the Bureau until the three interests agreed. President Clark issued the following statement as to the position of the executive committee of the Bureau:

"At the request of the general manager of the Chicago Board the president of the Western Insurance Bureau appointed a committee to meet with committees representing respectively the Union and the Chicago Board in an endeavor to formulate a commission agreement and to reach a common understanding with respect to the control of conditions in Chicago and Cook county.

"The joint committee has held several extended conferences, but to date has failed to accomplish their objective in that a tri-lateral agreement has thus far not been reached. In the absence of any regularly constituted agreement between the Union and the Western Insurance Bureau whereby joint legislation can be effectively enforced, and inasmuch as no such agreement exists, any legislation designed to regulate commissions and the control of general condi-

FEBRUARY FIRE LOSSES TOTAL FOR NATION \$41,105,400—GAIN LARGE

The nation's fire loss for February, 1928, \$41,105,400 was but \$2,000,000 under that of January of this year and has brought the two-month total to \$84,366,200, according to loss figures published by the New York "Journal of Commerce." The February figure is 30 percent higher than the figure for February last year and is 16 percent over the 1926 figure. The "Journal of Commerce" says:

"The fire losses of February compiled from the daily records of the 'Journal of Commerce' include those of Canada as well as of the United States and were materially enlarged by the Fall River disaster and the destruction of one or two large industrial plants. While the

character of the losses was not such as justify the assumption of any inordinate return of the moral hazard evil, the fire underwriters were much disappointed over the results. The tightening up in underwriting practices, which was pronounced last year, is still in evidence, and none of the large institutions show any tendency to return to the gambling practices of a few years previous.

"The comparison of the fire loss figures by months presented in the table does not foreshadow the repetition of the 1927 underwriting profit unless the initial burning ratio of this year is checked."

	1926	1927	1928
Jan.	\$41,118,750	\$37,910,600	\$43,260,800
Feb.	30,963,750	26,285,000	41,105,400

tions in Chicago and Cook county would be quite impossible of joint enforcement unless concurred in by members of the Chicago Board, and the Western Insurance Bureau therefore considers it futile under such conditions to adopt legislation for Chicago and Cook county with any expectation that it would be successfully enforced against all concerned.

"The joint committee having failed to reach a tri-lateral agreement with respect to conditions in Chicago and Cook county, the Western Insurance Bureau considers it unwise to commit the Bureau to the observance of legislation which it is powerless to enforce, except against its own membership."

The Western Insurance Bureau executive committee met last week and after considering the situation called off the meeting. The executive committee felt that it would be a useless expense to have Western Insurance Bureau members go to Chicago, as many live in the east, when no agreement had been reached with the Chicago Board.

The last meeting of the Western Union-Western Insurance Bureau-Chicago Board committee was Feb. 22. At that time evidently the Union members of the committee felt that the Western Insurance Bureau concurred in the program that was outlined. It involved 20, 25 and 30 percent for Class 1 members, 10 percent overriding commission for supervising Class 2 agents and 10 percent contingent. The Class 2 commissions are to remain 15, 20 and 25 percent.

Concession on Classification

A concession was made by removing all geographical limits except the Stock Yards so far as commissions on buildings were concerned. That was placed at 25 percent. There were some minor concessions in classification. It was supposed that this would be acceptable to the Chicago Board members although they gave no definite assent to the program. A sub-committee was appointed consisting of Charles R. Street, Great American; Walter D. Williams, Security of New Haven, and Allan I. Wolff and E. B. Vickery of the Chicago Board to draw up the formal agreement.

Some of the Bureau people take the position that the Union conferees took too much for granted and assumed too much authority in presenting their report. The Union people, however, felt that the Bureau had agreed to the pro-

gram that was presented. The Chicago Board contingent evidently had not given assent to the report. Some of the Union people feel that the Bureau became panicky following the Union meeting because of the great pressure brought by local agents.

The whole matter now is in an uncertain state. The Chicago Board rules that stirred up the controversy are in effect but are in a state of suspense. The question arises as to whether the Chicago Board will endeavor to enforce these rules and if it does whether it will mean that the 17 protesting managers and company officials will then retire from the organization. If the group of protestants is thus forced out of the Board because they will not accede to the rules, chaos will follow.

Class 2 Conditions Upset

The whole situation in the Class 2 district is decidedly unsatisfactory at the present time. Commissions have been forced up because companies are out buying the business. Many have become disgusted with the situation and feel that something must be done. Some officials say that unless the commission scale is stabilized companies will be forced to the branch office system.

The Chicago Board has contended all along for 25, 30 and 35 percent for Class 1, thus giving a 10 percent overriding on both Class 2 and brokerage business. The companies, it seems, are in no mood to accede to this scale. They hold out for 20, 25 and 30 percent. The local agents are embarrassed because they feel that the Class A or whole time brokers should be on the same basis as Class 2 agents. If this be the case then there will be but 5 percent differential over brokerage business.

Undoubtedly the non-affiliated companies are cutting some figure in Chicago because a number of local agents have been taking on these companies. They have been fixing up their fences here and there.

The conservatives, both among the companies and local agents feel that the situation should ride along until after the Western Union meeting next month and see if anything develops. If the Chicago Board attempts to enforce its rules at present, a crisis undoubtedly will follow. The 17 protesting managers are in no mood at present to withdraw from their platform.

MID-WINTER MEETING OF AGENTS ON IN MEMPHIS

Protection of Legitimate Agent Against Nonpolicy Writer Urged at National Gathering

LIVELY MEET IN PROGRESS

Reports from Majority of States Reveal Gratifying Increases in Membership and Interest

By C. M. CARTWRIGHT

MEMPHIS, TENN., March 14.—The mid-year meeting of the National Association of Insurance Agents was under full sail today with President W. E. Harrington, of Atlanta, in the chair. The executive committee met first Sunday and had sessions every day since. The state officers met yesterday.

Speakers at Dinner

At the get-together dinner with Mr. Harrington presiding, the speakers were President John M. Dean of the Memphis board, President George A. Caldwell and Secretary Julia Hindman of the Tennessee Association of Insurance Agents, Past President T. C. Moffatt of the National Association; R. P. Devan of Charleston, chairman of the National Executive Committee; Insurance Commissioner Caldwell of Tennessee; Secretary W. H. Bennett of the national association; J. D. Collier of Memphis, chairman entertainment committee; Mrs. W. E. Harrington; C. M. Cartwright, THE NATIONAL UNDERWRITER; Young Allison, Jr., "Insurance Field;" Editor Smith, "Spectator."

Extend Welcome

President Dean of the Memphis Exchange and President Caldwell of the Tennessee association extended the welcome this morning.

Other Speakers Heard

The response was by Fred M. Burton of the Texas association. Insurance Commissioner Caldwell of Tennessee spoke. R. P. Devan, chairman executive committee, President Harrington and other officers made reports. At the afternoon session President E. S. Lott of the United States Casualty spoke on compulsory automobile insurance. At the dinner all members of the executive committee were present except Percy Goodwyn of San Diego, Calif., they being R. P. Devan, Charleston, W. Va.; J. W. Rose, Buffalo, N. Y.; Clyde B. Smith, Lansing, Mich.; J. A. Giberson, Alton, Ills.; F. W. Flicker, Cleveland; F. T. Priest, Wichita; C. L. Gandy, Birmingham. The executive committee and the state officers recommended the following statement of facts to the resolutions committee.

Opposition Expressed

"The integrity of insurance, the public confidence it enjoys, and the success of well-managed companies has been

(CONTINUED ON PAGE 20)

J. A. GIBERSON SPEAKS AT ST. LOUIS MEETING

500 AGENTS ATTEND MEETING

Speaker Vigorously Opposes Stock Companies Accepting Reinsurance of Mutuals and Reciprocals

ST. LOUIS, March 14.—Stock company insurance agents should refuse to represent companies that reinsure mutual and reciprocal insurance organizations, J. A. Giberson of Alton, Ill., a member of the executive committee of the National Association of Insurance Agents told members of the Fire Underwriters Association of St. Louis, at a dinner meeting held here.

"We do not propose to represent companies that are willing to help the cut-rate organizations that are attempting to take our business away from us," Giberson explained. He contended also that no one can successfully carry water on both shoulders and declared his opposition to any insurance agent representing stock and mutual or stock and reciprocal insurance companies.

"I am not opposed to any man representing mutual or reciprocal insurance companies alone if he sees fit to do so," he added. He contended also that the mutuals and reciprocals would not obtain the large proportion of business they get today if they were compelled to pay the taxes and do the other things exacted of stock insurance companies.

Were Asleep on Job

Touching on the competition of automobile club reciprocal insurance associations such as are operating in Los Angeles, Chicago, Detroit and St. Louis he declared that the local agents of Los Angeles, Chicago and Detroit were asleep on their job or they could have prevented the successful organization of the reciprocals.

He then told of the automobile tourist certificate plan worked out by the National Association of Insurance Agents to combat the automobile club insurance bodies.

Giberson advised the insurance agents present to diversify their activities so as to avoid placing all their business eggs in one basket. He gave himself as an example of the danger of concentrating too much on any particular line, saying that back in 1914 he had specialized on compensation insurance. He built up a wonderful business and then lost 50 percent of it overnight when new compensation legislation went into effect.

Urged Joining Associations

He urged all insurance agents to be members of their local and state and national associations and to take an active interest in the affairs of each organization. He advocated decent agent qualification laws so as to prevent part-timers and other hangers on from taking business away from legitimate insurance agents.

Charles M. Talbert, president of the St. Louis association, presided at the meeting which was a get together for the entire membership. Some 500 agents attended the gathering. J. F. O. Reller and J. H. Toeniskoetter, a member of the executive committee, were the other speakers, while Jack Ryan told some of his famous stories. A quartette composed of Wesley Becker, Sterling Harkins, Ed C. Thursby and Clarence Barksdale, employees of local insurance agencies, furnished the entertainment.

The association has contributed \$10,000 toward a Million Dollar Fund being raised by the Industrial Club of St. Louis to advertise the industrial and civic advantages of the St. Louis industrial district. The contribution is payable over a 4-year period.

Robert P. Barbour, United States manager of the Northern Assurance, has gone on a vacation to Camden, S. C.

ARGUMENTS ON SECTION 10 OF MARINE ACT MADE

GOVERNMENT FUND IS SCORED

Vice-President Page of Fireman's Fund Lays Insurers' Case Before House Committee

WASHINGTON, D. C., March 14.—Arguments against adoption of provisions carrying into effect section 10 of the Merchant Marine Act of 1920, providing for the establishment of a government reinsurance fund for the United States Shipping Board, were presented to the House committee on merchant marine and fisheries last week by Charles R. Page, New York, vice-president of the Fireman's Fund and chairman of the American Marine Insurance Syndicate.

The higher rates which apply on cargoes carried in American bottoms as compared with those carried in foreign vessels, Mr. Page declared, is based on years of experience, and the flag which flies over the vessel has nothing to do with the matter. The classification made up by the three New York offices of American Marine companies, the North America, Firemen's Fund and the Chubb office, he explained, are not official, other underwriters need not and do not follow them, and several different rates can be obtained from various companies on the same shipment. The markets of the world are open to American ship owners and shippers, he asserted, and the underwriters of the various nations are competing one with the other, and the one making the lowest rate generally gets the business.

Members of the committee questioned Mr. Page regarding the rates charged the various lines, particularly the Roosevelt Line and the Harrison Line, the former getting a rate of 85 cents, whereas the latter gets a rate of 45 cents. It was explained that in the first place the Roosevelt Line vessels do not enter the Gulf ports, and if they were to do so the rate would be reduced to 72½ cents. At the same time the Harrison Line is getting a very low rate because the experi-

W. Y. YOUNG TO LEAVE FIRE SOCIETY POSITION

ANNOUNCES HIS RESIGNATION

Organization Was Formed in 1924—Work Was Superseded by Eastern Association

NEWARK, N. J., March 14.—The retirement on April 1 of William Y. Young as secretary and manager of the Fire Insurance Society of Newark will mark the conclusion of the effort to form a separate fire insurance governing organization for this territory, control of which now rests with the Eastern Underwriters Association. The society was formed the latter part of 1924 as the result of extended joint conferences between company executives and local agents in an endeavor to end the demoralizing conditions then obtaining in the business here. Shortly after the organization was launched and before it began functioning, the creation of the Eastern Underwriters Association began to assume shape, and it was agreed that the former body would have to be displaced by the latter.

Although Mr. Young was engaged as manager for the society, resigning a special agency for the Fire Association to assume the office, no real service was ever performed, and now at the end of three years he withdraws entirely from the connection and will probably announce another post within a short time. Mr. Young is an admittedly close student of fire underwriting affairs and has a considerable following among local men. Had conditions been such that the society could have undertaken the work for which it was created, Mr. Young unquestionably would have made a mark as an administrative officer.

ence of the underwriters shows that losses on that line are lower than those on the other line. If the Roosevelt Line can show ability to carry cargo on the same basis as the Harrison Line it will get the same rates, he asserted.

LAY PLANS FOR REGIONAL MEETINGS NEXT MONTH

INSURE-IN-APRIL CAMPAIGN

Illinois Association Arranges Eight Sessions at Various Points in the State

Plans for the "Insure in April" campaign in Illinois and Indiana are arousing the interest of the agents. Illinois has arranged eight regional meetings under the auspices of the Illinois Association of Insurance Agents. The state associations are sponsoring the campaign in these two states. Not only an increase in business for agents taking part is anticipated but the associations hope also to gain new members. Business associations in other lines are turning to the development of business for their members as part of their work. The life insurance agents for many years have made their meetings educational and helpful. Fire insurance has been slow to take up the educational side, but last year the campaign was found profitable when conducted by the Casualty Information Clearing House and the agents of these states did not wish to lose the benefits accruing from the activities.

Broadened to All Lines

Arrangements in Illinois are being made by Harry J. Leach, of Morris, chairman of the organization committee. The Casualty Field Club of Illinois has given its endorsement and a number of the field club members will address the various regional meetings. Several of the large casualty companies have promised to cooperate. Last year the "Insure in April" campaign was devoted largely to automobile liability insurance. This year it will be broadened to include all branches. The advertising prepared last year will be used again. The "copy" was prepared by the Casualty Information Clearing House and inserted by the agents cooperatively in their local papers.

Regional Meetings Set

Mr. Morris visited Chicago this week to confer with James M. Newburger of the Illinois association. The regional meetings decided upon are the following:

Rockford, March 19, 6:30 p. m., Nelson hotel, Rockford Board of Casualty Underwriters; Dixon, March 20, noon, Newcomer & Senneff agency; Moline, March 21, 6:30 p. m., LeClaire hotel, Moline Board of Fire Underwriters; Galesburg, March 22, noon, Lindstrom Insurance Agency; Peoria, March 23, noon, L. A. Howes.

The three meetings in charge of the association vice-presidents will be all day conventions and will be as follows: Aurora, March 27, Leland hotel, in charge of Vice-President A. J. Teninga of Chicago and George Wright, local chairman; Champaign, date to be set, Vice-President W. A. Schneider of Kankakee and W. R. Hidy of Champaign; Springfield, April 4, St. Nicholas hotel, Vice-President R. W. Troxell and A. J. Keyes.

Must Advance Expenses

NEW ORLEANS, March 14.—The civil court at New Orleans has handed down a decision that forces the companies to advance money through the Louisiana rating bureau to the state rating commission for its expenses. The commission exhausted its appropriation and endeavored to collect in advance from the bureau, which demurred. Suit was brought and following the decision the bureau has advanced \$20,000. John X. Wegemann of New Orleans represented the bureau in the negotiations.

Appoints Cleveland Agency

The American Guaranty announces the recent appointment of Pinney, Beltz & Co. as general agents for Cleveland and vicinity. This firm is composed of D. C. Pinney and O. W. Beltz of Cleveland, both of whom have had considerable experience in the insurance business. They are agents for Cuyahoga county for the Crum & Foster group of fire companies.

CONDENSED NEWS OF THE WEEK

Chicago situation is muddled over the Western Insurance Bureau calling off this meeting that was to have been held this week. **Page 3**

Mid-Winter meeting of Agents Association held at Memphis. **Page 3**

Insure-in-April campaign plans are made. **Page 4**

William Y. Young will retire as secretary and manager of the Fire Insurance Society of Newark, N. J., on April 1. **Page 4**

Vice-president Charles R. Page of the Fireman's Fund presents argument against Section 10 of the merchant marine act to the house committee on merchant marine and fisheries. **Page 4**

New provisions for the insurance of cooperative farm organization against price declines and commodities are carried in the amended McNary-Haugen agricultural relief bill as reported to the Senate. **Page 5**

The Eastern Underwriters Association has agreed that the commission paid to non-policy-writing agents shall be at a rate not exceeding five points less than the commission paid policy-writing agents. **Page 5**

Comparison of the 13 largest fire companies, ranked according to assets. **Page 5**

Field men traveling Illinois report that general business conditions are bad, but many expect a change for the better following the close of the first quarter of the year. **Page 6**

Ohio State Automobile club forming stock company to insure members on participating plan. **Page 8**

Survey of insurance conditions in Florida. **Page 8**

Beha will require full classification on old plan for 1928, he declares. **Page 13**

United States Chamber of Commerce opposes government reinsurance plan. **Page 13**

Attitude of Bank of Italy on insurance selling announced. **Page 14**

No improvement foreseen in health insurance situation. **Page 40**

Loss experience of companies writing bankers' blanket bonds varies, but the general loss tendency is upward. **Page 40**

Health & Accident Underwriters Conference holds its midwinter meeting in Chicago. **Page 45**

Twenty-two casualty or surety writing companies have been incorporated in New York state since 1912. All but two are actively in operation. **Page 45**

Casualty field men say that the problem of the plate glass business is one for home offices to solve. **Page 47**

Harry Simons tells burglary underwriters it is better to follow the spirit rather than the letter of the home office law in handling field problems. **Page 52**

Dodge Corporation figures for construction contracts let in February record new high total for the month. **Page 40**

NON-WRITERS RATE FIXED AT MEETING

Eastern Underwriters Association
Puts Compensation on New
Relation Basis

SORE SPOT IS REMOVED

Commission Set May Not Be Allowed
in All Territories—Local Boards
Rule in Places

NEW YORK, March 14.—Appreciating that little real progress in the application of a general program for the "excepted cities" of the east would be made until the status of non-policy-writing agents is clearly defined and their compensation fixed, the Eastern Underwriters Association at its recent meeting in this city, approving the report offered by its executive committee, adopted the subjoined resolution:

"That where non-policy-writing agents are permissible, their commission shall be at a rate not exceeding 5 points less than that of policy-writing agents."

The former rule of the organization simply provided that non-policy-writing agents be given a "lower" commission than that granted recording agencies; which meant that the scale might be a half point or less than that accorded representatives writing their own policies and generally performing a service and entailing an expense avoided by the solicitors. So long as this condition obtained it was impossible for the association to put its new program into effect in some of the great centers, notably Boston and Pittsburgh, where non-policy-writing agents exist in large number and have long been a thorn in the flesh of the recording offices.

Advocated Differential

C. Weston Bailey, president of the American of Newark, recently advocated the payment of a 10 percent differential to non-policy-writing agents, a measure that elicited warm commendation from the regular agency force. While a number of company managers were sympathetic with the views of Mr. Bailey, mature consideration of the whole situation forced the conviction that it would be impossible to gain general support to such a drastic move, and a compromise on 5 percent was agreed to.

Although the Eastern Underwriters Association has named the maximum commission that may be allowed by non-policy-writing agents, it does not follow that this figure will be granted in all territory. Instead, the scale will be determined by local board regulations, with which the greater organization will cooperate. In fact the local bodies of Buffalo, Philadelphia and Baltimore already treat non-policy-writing agents on an entirely different basis from that specified in the new rule of the Eastern association, and in all probability will continue so to do.

Solicitors May Become Policy-Writers

It may likewise be taken for granted that many of the soliciting agents will be given full agency authority. To this there can be no objection, provided the new appointees perform all the duties ordinarily associated with a recording agency.

In none of the cities save named above the non-policy-writing agent is not an issue. A few are found in Providence, but they are in limited number and cause no particular complaint.

The Eastern association has no agency limitation rule; if local bodies adopt rea-

SOME CHANGES OF RANK AMONG FIRE COMPANIES—HOME STILL LEADS IN ASSETS

THE ranking of companies according to assets brings out some changes this year. The Home still holds the first position with assets of \$96,105,332. The Hartford clings to the second position with assets of \$88,116,375. The Home had assets \$91,604,550 the year before and the Hartford \$83,126,149. The Continental has nosed the Globe & Rutgers out of third place, the former's assets being \$81,467,067 as compared with \$70,945,403 the year before. The Globe & Rutgers has \$80,193,738 as compared with \$71,740,997 the year before. The North America is fifth with assets of \$70,061,271 as compared with \$63,149,627 the year before. The Fidelity-Phoenix is next with assets of \$63,026,824, as compared with \$54,634,682 the year before. The Great

American holds its position of seventh with assets of \$56,982,974 as compared with \$53,238,585 the year before. The Aetna is next with \$53,532,184 as compared with \$49,039,589 the year before. The National of Hartford is next with assets of \$44,075,693 as compared with \$41,377,484 the year before, then the Phoenix of Hartford with \$40,711,623 as compared with \$36,965,661 the year before. The Firemen's of Newark jumped from 13th place to 11th, almost catching up with the Phoenix. The Firemen's assets are \$40,000,137 as compared with \$27,602,650 a year ago.

These are the companies that have assets of upwards of \$40,000,000. The 13 companies and the major items in their financial statements make the following showing:

Company	Assets	Reins. Res.	Net Surp.	Cap.	Prem.	Losses
Home	\$96,105,332	\$38,758,332	\$23,909,990	\$18,000,000	\$45,902,238	\$24,330,799
Hartford	88,116,375	42,672,184	22,613,413	10,000,000	47,877,500	25,899,766
Continental	81,467,067	26,721,029	27,788,109	15,000,000	25,851,706	12,381,271
Globe & Rutgers	80,193,738	21,794,727	29,425,923	3,500,000	29,425,923	17,389,705
North Amer.	70,061,271	29,567,292	23,660,361	7,500,000	34,575,834	15,415,609
Fid.-Phoenix	63,026,824	22,316,496	21,760,363	10,000,000	21,760,363	10,936,386
Great Amer.	56,982,974	19,476,861	21,060,119	12,500,000	19,536,150	9,516,941
Aetna	53,532,184	26,497,526	19,687,808	5,000,000	26,201,989	13,485,427
National	44,075,693	21,691,454	14,525,817	3,000,000	21,768,822	10,726,051
Phoenix, Ct.	40,711,623	12,703,500	18,047,752	6,000,000	12,059,448	5,852,859
Firemen's	40,000,137	16,184,923	13,040,858	7,500,000	15,410,197	7,641,762

sonable regulations in this connection the companies, each acting individually, are free to observe it, as is the case in Buffalo, where an entirely amicable understanding on the subject has been in force for several months.

Effective Date July 1

Another important move determined on by the association members was the naming of July 1 as the effective date for the application of the new arrangement for the excepted cities. The original date was April 1, but so many problems remained for solution that it was felt best to afford a longer time. While the flat commission rates for such centers remain as before, an increase of 2½ percent in the contingent has been allowed, making the present figure 7½ percent instead of 5 percent. This will be figured on an earned basis.

The excepted cities of the east, in addition to Buffalo and Washington, D. C., where the revised agreements are already in force, and Newark, which will not be disposed of until later, are: Allegheny county (Pa.), Boston, Baltimore and Philadelphia and its suburban field.

Conferences have been held from time to time with representative agents in each of these important centers, and while it has been impossible to arrive at an understanding wholly acceptable to all parties at interest, the plan now determined on is generally considered fair and will be put into effect July 1. The responsible committees will, it is expected, get together within a short time and complete plans for the new departure.

Agree on Inspection Bureau

Yet another important move agreed to was the recommended organization of the Eastern Inspection Bureau, to be operated under the general supervision of the subcommittee on service and inspection organizations. It is intended to maintain the chief office of the new division at this city, in charge of a competent manager. Two divisional offices will be established, one to take over the work now performed by the New England Bureau of United Inspections and the Underwriters Bureau of New England, and the other to assume the functions long exercised by the Underwriters Bureau of the middle and the southern states. The new body will supply inspection and engineering service to all association members throughout the jurisdiction of the organization. The Bureau service will supersede the special engineering work of individual companies, which in times past was provoca-

tive of so much trouble, in that it afforded offices maintaining engineering staffs an advantage in competition over institutions not so equipped.

Slowly but surely the Eastern association is solving the numerous complex problems before it, and though considerable time will doubtless elapse before these are all disposed of and the organization is functioning at maximum efficiency, distinct progress is being made.

NEWARK FIRE INCREASES CAPITAL TO \$1,500,000

NEW YORK, March 14.—Through the declaration of a stock dividend of \$500,000 the capital of the Newark Fire, has been increased from \$1,000,000 to \$1,500,000. Assuming that the recommendation of the company's directors receive the approval of the state insurance department, an additional issue of 100,000 shares of stock, par value \$5, will be made and distributed to present shareholders in the ratio of one-half share for each share of the stock now held. If the intended action is taken, the Newark Fire will have a net surplus in excess of \$2,400,000.

On Jan. 1 the company reported total assets of \$8,588,517; reinsurance reserve of \$3,963,636, and a net surplus of \$2,914,919. Compared with the returns of the preceding 12 months these figures show gains respectively of \$1,014,396, \$190,211 and \$817,484. Its net premium income in 1927 was \$4,081,056. The loss ratio was 46.1 percent.

The Newark is the oldest fire insurance company in New Jersey, having been organized in 1811, since which time it has been continuously in business. It is a member of the Royal group of corporations and works in close harmony with its associates. President Farquhar has been connected with the corporation for over 20 years, and has been its president since 1923.

J. F. Pershing Pavonia President

James F. Pershing has been elected president of the Pavonia Fire. Other officers were: George W. Bloodgood, vice-president and secretary and Fred L. Bloodgood, treasurer. The following directors were elected: Clyde Potts, mayor of Morristown, N. J., Charles R. Van Totten, Arthur Foran, collector of the port of New York; Stephen S. Barlow, vice-president of the Liberty Liability of Trenton, N. J.; William E. Beale; Harvey Moynihan, and William Weigel.

NEW PRICE DECLINE COVER PROVIDED FOR

McNary-Haugen Agricultural Relief Bill Amended to Make
It More Broad

OFFICIAL OBJECTION MET

Proponents of Legislation Say Insurance
for Cooperatives Will Not Conflict
with Private Interests

WASHINGTON, D. C., March 14.—New provisions for the insurance of cooperative farm organizations against price declines in commodities which they may be carrying are carried in the McNary-Haugen agricultural relief bill as reported to the Senate by Senator McNary of Oregon, author of the measure and chairman of the committee on agriculture and forestry. Changes were made, the report stated, to meet the objections voiced by President Coolidge in vetoing the measure passed by the last Congress.

The bill provides that the Federal farm board which is to be created may insure the cooperatives against price declines in any agricultural commodity which is regularly traded in on an exchange in sufficient volume to establish a recognized basic price for the market grades of such commodity. The insurance shall run for a 12-month period commencing with the delivery season for the commodity. The board may also enter into non-premium insurance contracts with cooperatives whenever in its judgment the use of such agreements will stabilize the market substantially in the interest of the producers of the commodity.

Coverage Explained

The insurance is not intended to cover actual price declines, it is explained in the report of the committee, but, "on the contrary, the association is simply to be insured that the average price for the basic grade of the commodity in an exchange or market designated in the contract during the period in which sales by the association take place will not be less than the average price for the same grade in the same market during the period in which the deliveries of the commodity to the association by its members take place.

"It is recognized that over a period of years, and during most of the years in the period, the market price for a commodity which is capable of being stored and held with safety will average higher during the period from the end of one harvest to the commencement of the next than it does during the harvest or delivery period itself. This must be true or those agencies which purchase and store commodities for later resale could not remain in business. But there are exceptional years, and it is against those exceptions that the cooperative associations are seeking the insurance which this section provides.

Credit Is One Advantage

"The advantage which a cooperative association would get from such insurance arises from the fact that with this protection a cooperative association would be able to borrow and advance to its members at the time of delivery practically the current market value for the commodity, minus such deduction as the cooperative association, for safety's sake, would withhold. In one sense such an insurance agreement would provide the cooperative association with a hedge against loss caused by decline in the average market price. The advantage of such a contract over an ordinary market (CONTINUED ON NEXT PAGE)

"I Didn't Think"



THAT'S what most people say when they have suffered a loss through tornado or windstorm. "I didn't think the wind could do such damage"....

"I didn't think tornadoes ever came in *this* part of the country".... "I didn't think windstorm insurance was so inexpensive"....

After it's all over many of them think hard. They reason that perhaps it was up to *their agent* to properly impress them with the importance of windstorm protection.

Agents of this company are getting many windstorm policies right now by doing the thinking for their clients *beforehand*. They are pointing out every angle and advantage of this necessary coverage. They are stressing particularly the extremely low cost. They are making it impossible for a man on their books to sit back amidst the wreckage of a windstorm and say "I didn't think".

THE LIVERPOOL
AND **LONDON**
80th
Year in the
United States
AND **GLOBE**
Insurance Co Ltd
Executive Offices: 1 Pershing Square
Park Ave. at 42nd St., New York, N. Y.
Western Dept. CHICAGO
Pacific Coast Dept. SAN FRANCISCO
THE NATIONAL INSTITUTION WITH A WORLD WIDE BACKGROUND

RISK IMPROVEMENT AIDS COMPANIES, ASSURED

ENGINEER MAKES ADDRESSES

Burt E. Tuck Speaks at Monthly Luncheon Meeting of Cook County Field Club

Competent inspection service for assureds so frequently results in reduced rates for the agents' and the brokers' clients that all who neglect inspections are failing to give service to their assureds, Burt E. Tuck, manager of the Insurance Engineering Service Company and formerly an engineer of the Chicago Board, told the Cook County Field Club at its meeting this week. Every company is interested in improving risks, Mr. Tuck said, and every assured is interested in reduced rates for his fire coverage.

Following a brief historical opening, Mr. Tuck detailed the improvement possibilities that inspections uncover. "Under the Dean schedule," he said, "every detail of construction is considered by rate makers. Every construction item is important." He said that area changes in buildings caused by remodelings or additions usually send the rate either upward or downward, and therefore should be regularly checked. Following detailed analysis of the area factor in rating he covered exposure and deck charges, partition charges, roof charges, and communication charges. He told how a hotel owner's expenditure of \$2,900 for correcting defects in his property resulted in a saving of about \$3,000 the first year and will result in a \$6,000 annual saving thereafter.

Mr. Tuck stressed the necessity of frequent communication inspections, saying that communication charges pyramid rapidly. "A few years ago," he said with reference to exposures, "many of the buildings in the Chicago loop were fire traps. However, with the advance of fireproof construction, exposure hazards have been materially reduced. When a fireproof building is built alongside another structure, the second takes a lower rate even though it be not fireproof."

In closing, Mr. Tuck said, "If you can get a rate reduction on a risk you are doing your client, your company and yourself a good turn. Immediately your assured's rate is reduced you stand 'ace-high' with him. And companies always would rather write a good risk at a reduced premium than a bad risk at a high premium."

NEW PRICE DECLINE COVER PROVIDED FOR

(CONT'D FROM PRECEDING PAGE)

hedge lies in the fact that if the average market price during the sales season were higher than the average market price during the delivery season, the members of the cooperative association would reap the full benefit of the advance.

"Two alternative methods of meeting the cost of payments under such an insurance agreement are provided in this section. In the case of the insurance agreement referred to as a 'premium' insurance agreement, the cooperative association would be required to pay a premium on each unit of the commodity covered by the agreement, which on the average would be sufficient to make good the payments that would be called for, and to build up a reserve. Under the other type, referred to as a 'non-premium' insurance agreement, the board is authorized to make the payments out of the stabilization fund for the commodity."

Revolving Fund Authorized

The board is authorized to set up out of its revolving fund an insurance fund for the commodity into which the premiums are to be paid and out of which the payments resulting from the insurance agreement are to be drawn. An ap-

GENERAL BUSINESS IN ILLINOIS SLUMPS

UNEMPLOYMENT PREVALENT

Field Men Believe Improvement Will Follow Close of First Quarter of Year

Although field men traveling Illinois report conflictingly on the details of conditions throughout the state, the reports are fairly consistently to the effect that conditions are bad. Recent speeches made in Chicago by men who claim to have sound information on the nation's business health have been consistently to the effect that almost all illnesses have vanished. According to those who travel much and visit city, town and hamlet, however, business generally is in a slump.

One field man reports that agricultural communities in Illinois and Iowa are suffering acute depression and that many farmers have canceled all insurance, because, they say, they are unable longer to carry it. New business is not developing in large volume in any part of Illinois, but losses have not been unusually high either.

Unemployment General

Unemployment is general throughout the state, with the usual result that merchants small and large are suffering, like the workman, from a dearth of cash. In some industrial centers merchants have loaded their books to capacity with credit accounts and now are at the point where they have to refuse to carry more.

Local agents all over the state report business from fair to bad, and it is reported few expect improvement for some months. One field man who travels the state from end to end reports that in certain communities that depend on industries that operate the year 'round conditions are no better and no worse than they have been for the last six months, and that if a change occurs soon it will be for the better. The predicted improvement will result from a better agricultural year than 1927 was.

No note of hopelessness is heard, however. Most field men seem to believe that business will recover soon after the first quarter of the year and will continue to improve unless the farmers in large areas are flooded out, as they were last year.

appropriation of \$250,000,000 is to be made for the revolving fund.

Discussing the legal phases of the measure, the committee admits that it is true that under the commerce clause of the Constitution, Congress cannot regulate insurance. "Under the bill, however," the report claims, "Congress does not attempt to regulate insurance. The bill provides for a Federal agency, the Federal farm board, to enter into the insurance agreements as a means of regulating the current of insurance. Agreements made by a Federal agency on behalf of the government are the only agreements involved. What Congress is doing in the bill is to regulate the current of commerce using these insurance agreements made by the Federal farm board as the means of accomplishing the regulation."

"Far from attempting to regulate private insurance business or agreements, the Congress authorizes the Federal farm board, as a means of promoting the regulation of interstate and foreign commerce intended in the bill, to enter into insurance agreements in a limited field in which private insurance companies do not now engage."

William C. Carlyon, connected with the United States Fire and the North River for the past ten years, has been transferred from the Coast counties of California to Seattle, where he succeeds Horace Reed as state agent for Washington.



THE COUNTRY MAID AND THE MILK-PAIL

Aesop's Fables with an Insurance Moral

No. 3

WHEN men suffer their imagination to amuse them with the prospect of distant and uncertain improvements of their condition, they frequently sustain real losses by their inattention to those affairs in which they are immediately concerned.

A Country Maid was walking very deliberately with a pail of milk upon her head, when she fell into the following train of reflections:—The money for which I shall sell this milk, will enable me to increase my stock of eggs to three hundred. These eggs, allowing for what may prove addle, and what may be destroyed by vermin, will produce at least



THE COUNTRY MAID AND THE MILK-PAIL

(Continued)

two hundred and fifty chickens. The chickens will be fit to carry to market about Christmas, when poultry always bears a good price, so that by May-day I cannot fail of having money enough to purchase a gown. Green!—let me consider—yes, green becomes my complexion best, and green it shall be. In this dress I will go to the fair, where all the young fellows will strive to have me for a partner; but I shall perhaps refuse every one of them, and with an air of disdain toss from them. Transported with this triumphant thought, she could not forbear acting with her head what thus passed in her imagination, when down came the pail of milk, and with it all her imaginary happiness.



AN INSURANCE MORAL

So it is with the man who, dreaming of the future, forgets the problems of today and thereby invites catastrophe. Before you indulge in dreams of the distant and chimerical advantages of tomorrow, make certain that you build on a solid foundation by insuring with the

SPRINGFIELD FIRE AND MARINE INSURANCE COMPANY
SPRINGFIELD, MASSACHUSETTS, U. S. A.

GEORGE G. BULKLEY, President

Western Department
HARDING & LININGER, Managers
Chicago

Pacific Department
GEORGE W. DORNIN, Manager
San Francisco



1819 1928

PILLARS OF STRENGTH

Three Great Companies
Providing Strong
and Dependable Insurance
in Fire and Allied Lines
and in Casualty and
Surety Protection

FLORIDA GETS BACK TO SOUND BUSINESS BASIS

BOOM MISTAKES CORRECTED

Insurance Generally Settled Down to
Stable Condition—Less Moral
Hazard Than Expected

BY E. J. WOHLGEMUTH

WEST PALM BEACH, FLA., March 4.—West Palm Beach, with a population around 25,000, is as good a town as any from which to survey insurance and general conditions in Florida. Insurance conditions, naturally, are dependent upon general conditions, and this is particularly true of this state.

Little Moral Hazard Develops

If the United States offers a greater range and variety of hazards, moral, mental and physical, than any other country on the globe, Florida would be expected to offer them in greater degree than any other state. And she does. But the surprising thing is that up to date insurance men have been pleasantly disappointed over the failure of the expected moral hazard to appear to the degree that was taken for granted by special agents and home office underwriters. As a rule, the local agents have been the optimists, the special agents and home office underwriters the pessimists, on the underwriting outlook, with the general agencies of the state in between. Of course, the special agents have had the brunt of the responsibility to bear, and most of the worry, if not over losses, then over bad collections and the tremendous turnover in agents.

Business Has Settled Down

Here in West Palm Beach the business has settled down into the hands of 15 or 20 good agencies, practically all exclusively in the insurance business, with the real estate men pretty well out of it. In some other towns, as in Daytona Beach, the insurance business is still pretty well in the hands of the real estate men, who tide over the hard times and pay rent out of insurance commissions.

State Has Readjusted Itself

The first thing to be said about Florida is that the state is absolutely sound, more people are down here this winter than ever before, and the state has practically readjusted itself and corrected the mistakes of the boom. This does not mean that individuals have not suffered; they have, and are still suffering, but the state as a whole is away ahead. Every city and town has secured needed improvements which would not have been possible for years to come had it not been for the boom. Of course the boom way was the most expensive and wasteful method that could have been devised to secure this advance, but the advance has been made. Florida is today the foremost state in the southeast, with the best prospects for the future. The mistakes of the boom are being corrected.

Living Costs Are Low

At present, prices and values are too low, if anything. One can perhaps live in comfort more cheaply in Florida than anywhere else in the country. Rents are often one-third or one-half what they were two years ago. At Melbourne, north of here, I met a storekeeper who is paying \$35 per month, whereas his rent formerly was \$135. Apartments at \$50 and even \$35 are plentiful. Of course, fruits and vegetables are abundant and cheap.

The day of big profits is over; losses are still being sustained by property owners who are able to hold on, but this condition will gradually correct itself. "Distress" sales of property whose owners are "busted," are still frequent and here in West Palm Beach

FORMING STOCK COMPANY TO WRITE CLUB MEMBERS

PROFITS SHARED TWO WAYS

Automobile Association to Have Own
Carrier and Divide Between Stock-
holders and Policyholders

The executive committee of the Ohio State Automobile Association has voted to organize a stock insurance company for writing automobile lines.

Organization plans contemplate a company with a paid-up capital of not less than \$100,000 and a paid-in surplus of \$50,000. All stock is to be common stock sold at \$15 a share, \$10 for the capital stock and \$5 for surplus account. The amount of capital stock will be determined by the total of subscriptions received. An organization committee will determine how the stock is to be apportioned among the several clubs affiliated with the Ohio State Automobile Association. The stock so apportioned is to be sold to members of the various clubs. None but members of the Ohio State Automobile Association may purchase stock in the company.

To Be Participating

All lines are to be written at the regular stock company rates through an agency plant which the company expects to build. Any profits are to be distributed at the end of each calendar year, one-half to the stockholders and one-half to the policyholders. The profit for the policyholders is to be distributed in proportion to the amounts of premium paid by them except that where any policyholder has been paid a claim amounting to as much or more than his annual premium, he shall not participate in the profits.

This insurance plan was presented to the executive committee by a special insurance committee headed by Joseph R. Gardner, Cincinnati, chairman, R. B. Crawford, C. Burton Nickels and William Howe, Conn. Hoke, Wright & Benoy of Columbus are attorneys advising the club. The president of the Ohio State Automobile Association is to designate an organization committee at once to carry out the plan.

once each month there is an auction sale of property sold for taxes.

Few Fires Have Resulted

These pieces are usually bought by the holders of the first mortgages. One would expect these conditions to result in fires, but they have not, to any degree. Considering the fact that Florida is supposed to have drawn the flotsam and jetsam of the country, people who were looking for the easiest way of getting along, with the least work, it is surprising how few of them have sought to make the insurance companies buy them out at a good figure.

State Has Splendid Future

Florida is a state with a splendid future. For every real bargain, under the new conditions, there are men of means ready to step in and furnish the cash. Prices will perhaps never go unreasonably high again, but they are readjusting rapidly to a sensible basis. Men who have retired from business, because of age or ill health, are investing in Florida, prepared to develop her resources, furnishing the brains and the money, with an ample supply of colored labor at from \$2 to \$3 per day. New land is being opened up to the growing of fruit and vegetables, and there is plenty of it to supply the country with those commodities. Nearly every resident from the north is financing a citrus grove or a vegetable farm as a side interest, or owns a business building or residence or two in town. The great need of the state, the development of its natural resources, is being adequately supplied.

ANNUAL STATEMENTS

December 31st, 1927

Fire Association of Philadelphia

and its
affiliated Companies.Fire Association of Phila.

Capital	\$3,000,000.00
Outstanding Losses	1,540,889.61
Reinsurance Reserve	11,003,841.46
All Other Liabilities	527,213.11
Net Surplus	7,288,559.72
Admitted Assets	23,360,503.90
Surplus to Policyholders	\$10,288,559.72

The Reliance Ins. Co.

Capital	\$1,000,000.00
Outstanding Losses	120,446.35
Reinsurance Reserve	1,005,575.98
All Other Liabilities	58,876.58
Net Surplus	624,294.97
Admitted Assets	2,809,193.88
Surplus to Policyholders	\$1,624,294.97

Victory Insurance Co.

Capital	\$1,000,000.00
Outstanding Losses	115,833.19
Reinsurance Reserve	923,905.03
All Other Liabilities	93,864.20
Net Surplus	601,171.38
Admitted Assets	2,734,773.80
Surplus to Policyholders	\$1,601,171.38

Constitution Indemnity Co.

Capital	\$1,000,000.00
Outstanding Losses	185,513.00
Unearned Premium Reserve	758,538.64
Reserve for Other Liabilities	139,668.83
Net Surplus	1,452,310.07
Admitted Assets	3,536,030.54
Surplus to Policyholders	\$2,452,310.07

*Sound Insurance
for over a Century.*Home Office: 4th and Walnut Street, Philadelphia
Dept Offices: Atlanta, Chicago, Dallas, San Francisco.

ALL CLASSES OF FIRE AND CASUALTY INSURANCE



Making Service Mean Something

You can shout "Service" like a newsboy ballyhooing an extra, but if you don't back it up by *action* it's a hollow cry.

We give our agents actual, tangible, helpful service. Part of it is our company magazine, **The ACCELERATOR**. This magazine, packed with information, sales-helps, constructive criticism, new ideas, and other interesting wallops pertaining to insurance, goes to our agents every month.

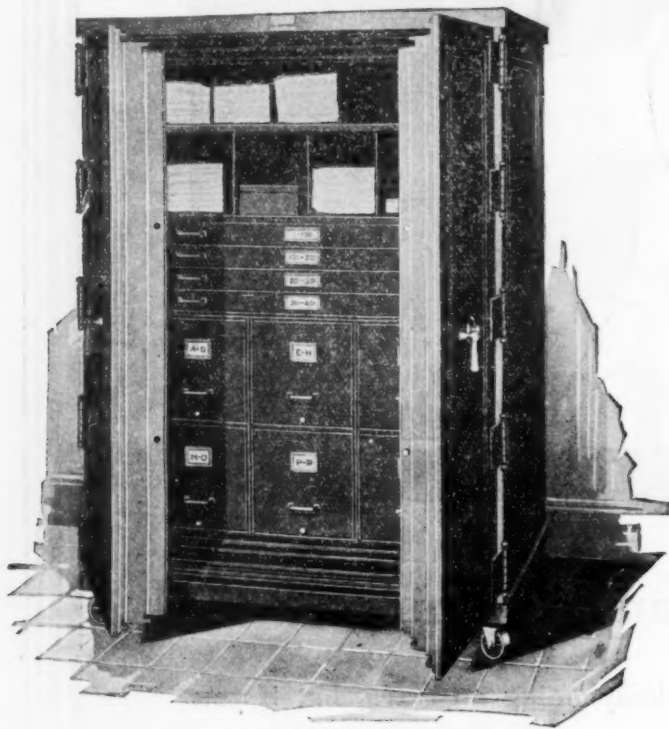
Another part of our backed-up service is our Advertising Department itself. The details of our agents' advertising, if they desire, are taken care of by this department. We handle these details with all the thought and experience that would be accorded a national account in an advertising agency. Our Advertising Department is ready, on request, to supply copy for newspaper advertisements, circulars, booklets, sales letters and even speeches. It enables our agents to build up their business through the medium of advertising and advanced sales methods and frees them from the trouble, time, and expense that are involved if agents give their own time to this work.

Wouldn't you like to see some specimens of this special work of our Advertising Department? And wouldn't you like to have us mail you a copy of **The ACCELERATOR**?

**BOSTON INSURANCE COMPANY
OLD COLONY INSURANCE COMPANY
87 KILBY STREET, BOSTON, MASSACHUSETTS**

PERMANENT PROTECTION

for Vital Business Records



You can't afford to be without it

INSURANCE against loss is regarded now as a necessity in carrying on business transactions. No responsible business man denies this as a principle. But....

Not even insurance can replace the most vital assets of your business.

Among these are records that list your transactions, tell you how much you owe, and how much is owed to you. Precious little bits of paper.... They can never be replaced, once they are lost through fire or mislaid through negligence.

Through scores of disastrous fires that reduced every other bit of property to worthless ashes, GF Safes have brought their valuable contents through safe and sound.

As an added assurance that your records will be protected, GF has made these safes so they may be quickly moved to the point where records are used. And their attractive finish and perfect simplicity of design entitles these safes to the company of the finest furnishings.

THE GENERAL FIREPROOFING COMPANY
Youngstown, Ohio Canadian Plant: Toronto
BRANCHES AND DEALERS IN ALL PRINCIPAL CITIES

*The GF Allsteel Line: Safes • Filing Cabinets •
Sectional Cases • Desks • Tables • Shelving • Supplies •
Transfer Cases • Storage Cabinets • Document Files*



Attach this coupon to your firm letterhead

THE GENERAL FIREPROOFING CO., Youngstown, Ohio

N. U.

Please send your booklet entitled "Safeguarding Vital Records of Business".

Name _____

Address _____

City _____

State _____

	Net Prens. Written	Net Losses Paid
Pearl	2,211,855	330,191
Pa. Fire	4,917,452	2,049,399
Peoples, Md.	149,137	45,246
Peoples National ..	1,142,248	572,031
Petersburg	141,591	55,352
Phila. F. & M.	1,124,876	454,445
Phoenix, Eng.	3,658,223	1,580,349
Phoenix, Conn.	9,517,240	4,355,666
Piedmont	220,423	108,500
Pilot, N. C.	320,224	172,710
Pilot Reins.	1,385,878	297,156
Pioneer Equitable ..	47,546	8,723
Pioneer, Ill.	76,226	6,824
Potomac	888,139	296,000
Preferred Risk	473,077	167,355
Presidential F. & M.	539,503	250,716
Prov. Wash.	4,752,624	2,347,673
Provident, N. Y.	49,963	15,690
Prud. Re & Coins. ..	6,260,859	3,227,093
Prudential, N. Y.	2,156,038	1,081,852
Queen	7,335,773	3,048,446
Queensland	477,615	158,306
Reins. Corp.	63,637	.....
Reins. Co. Salam.	3,855,266	2,346,235
Reliable	335,414	109,375
Reliance	768,956	355,085
Republic, Pa.	421,509	324,798
Republic, Tex.	1,454,657	593,654
Rhode Island	2,734,926	1,457,848
Richmond	1,495,406	575,492
Rocky Mountain ..	67,115	15,356
Rossia	9,189,057	4,655,627
Royal Exch.	2,264,552	1,066,233
Royal	10,410,231	5,025,762
Safeguard	496,079	220,641
Safety First	9,593	796
St. Paul F. & M.	7,571,211	3,444,491
Savannah	431,719	177,018
Scottish U. & N.	3,731,108	1,632,232
Seaboard, N. J.	45,934	8,275
Seaboard, Md.	15,511	584
Security, Ia.	382,515	129,989
Security, Conn.	4,484,453	1,702,602
Security National ..	289,519	116,688
Security Union	95,796	.....
Sentinel	416,796	81,253
Skandia	1,359,353	734,218
Skandinavia	735,393	218,704
South British	184,642	98,267
South Carolina	425,566	197,928
Southeastern, Fla. ..	13,410	5,679
Southern, N. C.	119,221	45,196
Southern Home	958,300	555,059
Springfield F. & M.	12,964,832	5,549,125
Standard, Conn.	1,040,186	466,565
Standard, N. J.	1,197,070	554,552
Standard, N. Y.	859,451	293,935
Star	1,608,676	788,481
State, Eng.	804,212	442,860
Stonewall	65,693	17,527
Stuyvesant	1,317,515	985,926
Sun, Eng.	3,266,113	1,501,276
Superior	838,509	848,939
Svea	1,602,905	753,077
Swiss Reins.	5,351,548	2,327,350
Sylvania	12,599	9,939
Tokio M. & F.	1,501,709	688,873
Transcontinental ..	498,076	166,792
Travelers	6,966,592	2,537,195
Trinity	263,115	64,375
Twin City	232,786	191,888
Underwriters, N. C. ..	63,407	30,228
Underwriters, N. H. ..	.....	16
Union, Eng.	1,333,688	840,587
Union, N. Y.	351,236	209,526
Union, Fr.	1,368,525	761,691
Union, Ind.	17,759	5,285
Union & Phenix	911,216	809,735
United Amer. Pa.	564,651	228,699
United Firemen's ..	928,977	385,621
U. S. Fire	12,788,989	5,692,081
U. S. Mer. & Shprs. ..	1,745,577	560,859
Urbaine	4,801,377	2,670,141
Utah Home	470,743	191,927
Utility, Tex.	80,674	10,432
Victory	768,864	355,559
Virginia F. & M.	1,246,954	629,349
Washington, N. Y.	197,392	64,540
West American	56,185	38,188
Westchester	5,792,967	2,875,005
Western, Ont.	2,220,663	1,012,904
Western, Kan.	10,219	131
Wheeling	447,522	191,706
Wm. Penn.	76,628	1,867
World Auxiliary	84,312	218,026
World F. & M.	1,154,857	666,396
Yorkshire	1,978,222	959,111

American Reserve to Increase Capital

Stockholders of the American Reserve have unanimously voted for the plan to increase the company's capital from \$400,000 to \$500,000 by authorizing an additional 10,000 shares, of par value \$10, to be offered shareholders of record March 14 at \$60 a share. The ratio is to be one share for every four shares now held. When this increase has been made the company will have a net surplus of \$1,433,473 over capital. In 1927 the regular dividend of the company was earned approximately three times. This earning is without consideration of the equities in the increased premium reserve.

Standard Hose Coupling

In a recent issue of THE NATIONAL UNDERWRITER it was stated in referring to standard hose couplings that the standard was 3 inches. The standard is 2½ inches with a male coupling, & 1/16 inches outside diameter and threads 7/8 to the inch. These standard couplings have now been adopted in some 30 states.



Elias Howe and the first sewing machine—patented 1846

To sew otherwise than by hand—incredible! Yet as far back as 1775 an attempt had been made to sew by machine. However, it was not until 1846 that the first practical sewing machine was invented. This was patented by Elias Howe on September 10th of that year, and became the forerunner of the present sewing machine ably developed by Isaac M. Singer a few years later.

Almost simultaneously with this invention, that was soon to become an object of necessity both in business and in every home, the Home of New York began its career.

Similarly the Home began its development of an economic necessity to protect business and the home. Now the Home is celebrating its Seventy-fifth Anniversary. Three quarters of a century of successful utility.

THE HOME INSURANCE COMPANY NEW YORK

—Seventy-fifth Anniversary Year—

BEHA REJECTS REDUCED CLASSIFICATION PLAN

Notifies National Board He Will Take Other Means to Secure Data

LUMPING RISKS CRITICIZED

Same Category for Divergent Hazards Not Excused by Small Percentage Involved, He Holds

NEW YORK, March 14.—Superintendent J. A. Beha of New York has rejected the plan of consolidating the National Board experience data into 28 classes as agreed upon between the Board and the Insurance Commissioners Convention. In a letter to General Manager W. E. Mallalieu Mr. Beha states his views as follows:

"I note that you will continue to act as the agency to receive, compile and amalgamate the 1927 fire experience of companies doing business in the State of New York. I further note that you will be unable to accept the designation from this department as the agency for receiving, compiling and amalgamating the 1928 fire experience excepting on the basis of the new classification of 28 classes, which classification has been rejected by this department. In view of this notification, this department will take immediate steps looking toward other arrangements in the collection and compilation of the 1928 and subsequent fire experience of companies doing business in the state of New York."

This was in reply to a letter from the National Board in which Mr. Mallalieu said the companies would report on the old basis for 1927, but in future would have to follow the 28 classifications. Early in February Mr. Beha stated his objections as follows:

Beha Criticizes Classes

"You have in the consolidation classification, for example, the classification of 'Dwellings.' The proposed consolidated classification under this title originally comprised eight classifications. These original eight classes were further subdivided between protected and unprotected risks. Not only are these eight classes consolidated into one, but the subdivisions are consolidated into frame protected, brick protected, brick frame unprotected and fireproof protected and unprotected. This is by far the most numerous single class proposed, and I might point out how useless that combined classification is for determining the reasonableness of the rates fixed, for example, upon the contents of a high valued brick country residence, as compared with an ordinary frame unprotected private dwelling."

The most varied class proposed is placed under the caption of 'Mercantile Contents.' The proposed classification is a consolidation of 75 classes as proposed in the original 'Standard Classification.' Under this one classification there is such diversity of hazards as are represented by automobiles, shoes, drugs, furniture, hardware, millinery, tobacco, lodge rooms and cold storage."

It is proposed, for example, to establish a single classification, 'Non Manufacturing Special Hazard,' which appears to be a consolidation of approximately fifty of the original classifications. This includes such hazards as public barns and stables, coal and wood yards, theaters, standing timber, stock yards and tugs. On this classification there is no separation between frame, brick or fireproof, nor is there any separation between protected and unprotected, notwithstanding that included in this classification are risks subject to protection and otherwise and comprising all degrees of construction from nothing or frame to brick or steel."

As a reason for reducing the number of classes to 28 it was stated that with the exception of 25 classes, the premium

CHAMBER FLATLY OPPOSES GOVERNMENT MARINE FUND

REINSURANCE IS DISAPPROVED

Freedom for Private Enterprise Declared Most Desirable—States Hamper With Laws

WASHINGTON, D. C., March 14.—Visualizing the plan to provide a reinsurance fund in the United States Shipping Board as the first step toward putting the government in the marine insurance business, the United States Chamber of Commerce, in a brief this week presented to the House committee on merchant marine and fisheries, expressed unqualified disapproval of the suggestion.

"Marine insurance admittedly has not had a free hand to develop itself in the United States so as to be able to provide ample underwriting facilities for all American hulls," it was declared in the brief. "The merchant marine act of 1920 exempted marine insurance syndicates from the application of Federal antitrust laws, and in 1922 Congress passed the so-called model marine insurance act for the District of Columbia, in an effort to assist the industry, but," it was asserted, "as insurance is not interstate commerce, it is properly within the power of the states to regulate and supervise the operations of insurance companies within their borders. Thus the legislative restrictions imposed upon marine insurance companies cannot be wiped out by a single act, but must be removed in each state by appropriate legislation."

Need of Separate Law

"When the states, through legislation, treat marine insurance specifically rather than as a mere incident to fire insurance and when their anticompetitive or antitrust laws are amended so as to protect reinsurance syndicates as the federal government protects them from the operation of federal antitrust acts, marine insurance in the United States will be in much better position to develop on a sound basis," the committee was told.

"The ultimate outcome of the operation of a reinsurance fund by the government would probably be the entrance of the government into direct underwriting, gradually forcing private American marine insurance companies out of business altogether. Private initiative, as represented by American marine insurance, should be given every opportunity to continue its sound development and the federal government should not take action which would have such a disastrous effect."

The chamber, in a referendum taken some years ago, it was pointed out, went on record as opposed to the government's entering the marine insurance by a vote of 1,375 to 73.

Dinner for W. M. Palmer

The date for the dinner to be given in Des Moines by Iowa field men honoring W. M. Palmer, state agent for the New York Underwriters, who will celebrate his 25th anniversary of consecutive service with the same company, has been changed from April 6 to Tuesday night, April 10. Will H. Harrison, state agent for the National Fire, is general chairman for the event.

Income for most of the classes represents less than 1 percent of the total. Naturally, if the classes exceed 100 in number mathematically there must be a number of classes representing premium incomes of less than 1 percent, but I cannot see that that would be any reason for throwing into that class unrelated for restricting a classification to 100 or less. If the premium income on any class is so small as to be inconclusive for rating purposes, that fact can readily be taken into consideration and it does not furnish an excuse for distributing the experience of some other class by throwing into that class unrelated hazards."

CLEARED UP SITUATION WITH COMPLETE HARMONY

SOME STILL OUTSIDE BOARD

Kansas City Insurance Agents Exchange Diplomatically Settles Its Heterogeneous Membership Troubles

KANSAS CITY, March 14.—The Kansas City Insurance Agents Exchange has successfully completed its work of harmonizing its membership as to company representation. Heretofore there were many agents representing companies that had non-board agents. There were 26 agencies out of line. It took clever and diplomatic effort to swing all into step. Finally all companies were out or in except the Minneapolis Fire & Marine, State of England, Federal of New Jersey, Detroit Fire & Marine, and Superior. The first two have taken up all their agencies, leaving them for the present without representation. The Federal took up its outside agent. The Detroit elects to be a non-board company. The Superior discontinued its two non-board agencies. Wilson B. Wood, a non-board agent, joins the organization. In order to qualify he resigned the National Union, National Liberty and Northwestern National, all outside companies and takes the Royal Exchange. The board agencies write 90 percent of the business. The outside element is quite active but the organization has grown in power and is well solidified.

MILWAUKEE MECHANICS HAS FIELD CONFERENCE

MILWAUKEE, March 14.—The annual field men's conference was held by Milwaukee Mechanics at the home office here last week, with about 35 in attendance.

The conference closed with a dinner at which Robe Bird, vice-president, was toastmaster. Fifty-two guests, including the field men, officers and some of the directors, were present. President C. H. Yunker commented on the good year the company had, in face of the slight decrease in fire insurance business throughout the country. He looks forward to an improvement during 1928. Others on the program included Dan T. Smith of Illinois and Charles Childress of Texas, the deans of the field men of the Milwaukee Mechanics. Thomas S. Deering, an executive of Appleton & Cox, New York City, talked, as did William C. Quarles and Fred Vogel, directors, and William H. Marshall and G. W. Grossenbach, vice-presidents.

Crum & Forster Western Men to Meet

Field men in the western department of the Crum & Forster group will hold their annual meeting at the Brevoort hotel, Chicago, March 16-17. About 60 will attend. S. W. Warner, Indiana state agent, will preside. Home office representatives who will attend are Harold Junker, general agent and I. L. Parsons, vice-president. Fred M. Gund, western department manager, and J. W. Gregory, assistant manager, both of Freeport, will attend. W. B. Erfert, Wisconsin state agent, will preside as toastmaster at the banquet that will close the meeting. Fourteen prizes for field efficiency calculated by the point system will be awarded.

W. E. Hoyt Dies

W. E. Hoyt, formerly a prominent adjuster in Michigan, died on Monday at Big Rapids. He was well known to fire insurance men, having been a field man for 30 years. He was formerly state agent for the Royal in Michigan but in later years was an adjuster at Chicago, Grand Rapids and finally at Detroit. He was head of the firm of Hoyt & Nelson but two years ago was forced to give up his work by a paralytic stroke. Since that time he has lived at Big Rapids.

SPRAY FINISHING IS CREATING NEW HAZARD

Underwriters, Engineers and Raters Discuss Dangers in Painting Processes

INFORMAL MEETING HELD

Methods of Minimizing Dangers in Manufactories Are Analyzed—Recommendations Made

NEW YORK, March 14.—Exercised over the fire hazards created through the rapidly growing use of pyroxylin lacquer finishing by the spray method in plants throughout the country devoted to the manufacture of automobile bodies, furniture, fancy leather, airplanes, gas and electric fixtures, floor coverings of various kinds, pianos, straw hats and wicker ware generally, an informal conference of underwriters, insurance engineers, and rate-makers was held here recently to consider the subject and to outline methods for dealing with it. The feature of the gathering was the presentation of a paper by E. Schueneman, chief engineer of the Western Factory Insurance Association, who has devoted close study to lacquer and paint spraying devices for some years, and is familiar with their operation and the peculiar hazards resulting therefrom.

Good Advice Effective

Discussion revealed that the rating men are fully alive to the perils of the system. Those who acted promptly when the hazard first developed stated that the imposition of a reasonable charge in rate for disclosed defective conditions, coupled with constructive fire prevention advice, has brought about improvement in the majority of installations. One company representative stressed the necessity when inspecting important risks of assigning to the task engineers who are competent to sell to the plant owner the idea of properly safeguarding the plant, holding that if the hazard of its operation were clearly set forth there would be no great difficulty in securing promise to adopt safety measures.

Spray Painting Speeds Works

Painting by means of spraying devices, the liquid being driven by compressed air, came into vogue some 10 years ago, and in many important industries has almost wholly displaced the old time hand brush method, enabling manufacturers to turn out material in far larger quantity and at less cost than was formerly possible. The liquid generally used in the process, however, is highly inflammable and unless the structure in which the work is performed is separate and apart from the general workrooms the fire menace is a very real one. So serious is it regarded that the mutuals cancelled off many of the furniture manufacturing plants in the south, holding that the fire risk was too severe. The stock offices were induced to continue their coverage only through the application of double and in some instances triple rate increases.

National Board Investigates

An engineer of the National Board was recently assigned to make a complete survey of conditions where spray finishing was employed. "He visited small manufacturers and large plants, lofts in which a single spray was used and buildings housing a battery of spraying devices and employing many gallons of finishing material every

An Investment

A man buys bonds, mortgages, etc., for one reason, namely, he knows they are good investments.

Sell your client on the necessity of an *appraisal for the same reason. It is a safe investment, and a guarantee against loss due to under-insurance. Correct insurable values are arrived at in a way that leaves no room for doubt in the mind of any one.

And while you are stressing the point, insist on a Lloyd-Thomas *appraisal.

"WHAT IS AN APPRAISAL?"—It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

"ITS ADVANTAGES"—1st—It discovers insurable values that have long been written off the books through unscientific depreciation. 2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance.

The Lloyd-Thomas Co.

RECOGNIZED AUTHORITIES ON PHYSICAL VALUES.



4411 Ravenswood Ave., Chicago
120 Broadway, New York

Cincinnati	Cleveland	Detroit	Indianapolis
St. Louis	Milwaukee	Pittsburgh	Memphis
Denver	Toronto	Minneapolis	Kansas City
Washington	Los Angeles	Atlanta	Des Moines

1889

JOHN H. GRIFFIN, President

1928

NORTHWESTERN

FIRE AND MARINE INSURANCE COMPANY
MINNEAPOLIS, MINNESOTA

Isn't it worth while

To know that you have a company in your agency that has the facilities and desire to serve you completely and satisfactorily?

Fire Tornado Lightning Automobile Hail Rents Use and Occupancy

working hour. Everything from a baby carriage to a coffin, from dolls to radio horns, was included, presenting a series of dangerous conditions not contemplated when the building was constructed or the insurance placed. If all the finishing materials used in this new development were non-inflammable there would be no occasion to study the problem in order to prevent fire losses, but, unfortunately, recent fires have indicated a very real danger. The materials that lend themselves to spraying include paints, enamels, varnishes and pyroxylin lacquers, oils, stains and shellacs. Practically every one knows that these materials contain oils or other volatile liquids which, under certain conditions of temperature, give off vapors or gases that are highly inflammable.

Continuing the investigating, the engineer offers that "it is not generally understood that regardless of temperature, the material discharged from the spray in a fine mist combines quickly with the air, creating gaseous vapors. Not only is there a real danger at the place where the spraying is being done, but where pyroxylin lacquers are used, a highly inflammable deposit may collect in hidden recesses and requires only the exact proportion of air to do serious damage both to life and property should ignition occur."

Automatic Sprinklers Recommended

To offset the additional fire hazard created through the free use of spraying operations it is recommended that buildings be equipped with automatic sprinklers. "Of equal value," the engineer's report says, "is the segregation of such processes to special rooms or floors. The complete enclosure of stairways and other vertical openings between stories is always essential where quick flash fires are possible. Other recommended precautions include the installation of an adequate exhaust system to remove vapor and dust accumulations quickly; proper storage of all material, so that small quantities only be exposed; and clean premises."

"The fire hazard is minimized where spray work is done in steel enclosed booths, each provided with ventilating fans. These to be effective must be kept free of accumulated droppings, which may take the form of prepared paper to be torn out each night. A soap mixture on the walls of the booth is also recommended as tending to cleanliness."

Homes Also Menaced

Not only is the spraying hazard to be reckoned with in manufacturing and finishing plants, but is becoming a menace in homes as well. To such an extent is this the case that the National Board has just issued a leaflet warning against the practice, recommending that "spraying should be done out of doors whenever possible," and where of necessity it is done within the house "every effort be put forth to ensure that there are no nearby open lights, fires or other sources of ignition; that the windows and doors are open to the outside air where constant circulation is taking place and will thus hasten the movement of the vapors by drafts to the outside."

Will Recover Payments

NEW YORK, March 14.—President Coolidge having affixed his signature to the bill passed by Congress providing for the payment of claims by nationals of this country against Germany and Austria, and for the return to citizens of those countries of funds seized during the war and since held by the alien property custodian, fire and marine writing companies of the United States and of Germany may now look forward to receiving money long due them. The American offices will recover for payments made for the destruction of vessels at the hands of the enemy, the total of their claims being many millions. The largest individual company creditor is the Globe and Rutgers, which should receive something like six million dollars.

ATTITUDE OF BANK OF ITALY IS ANNOUNCED

ATTORNEY IS INTERVIEWED

Roger B. Hull of National Association of Life Underwriters Hears
Louis Ferrari

SAN FRANCISCO, March 14.—That life insurance eventually and inevitably will assume the status of material merchandise and be sold "over the counter" like such merchandise is the view expressed by Attorney Louis Ferrari of the Bank of Italy in an interview this week with Roger B. Hull, general counsel and managing director of the National Association of Life Underwriters. Attorney Ferrari said:

"The whole tendency of modern business is centralization and elimination of duplication of effort. Banks are gradually being looked on to furnish all kinds of service. The tendency in other lines is to eliminate unnecessary factors. Every well informed man today knows as much about life insurance as the solicitor himself, and the selling of the same is becoming largely a merchandising proposition."

"Life insurance selling is analogous to a chain grocery store's selling sugar and flour rather than professional service. Ultimately all solicitation will be eliminated and life insurance will be sold over the counter on the standard merchandise basis."

"Modern business must get closer to the producer, and this will be done in life insurance by elimination of solicitors entirely. While banks are now dealing through contracts with general agents, this will ultimately be eliminated and the bank will stand directly between the insurance company and the policyholder."

Mr. Ferrari emphasized the exceptionally favorable position of a bank to carry on solicitation of life insurance and stated that the present fight for licensing fire agents is not vital to the Bank of Italy, because if the bank lost it could find a way to write the fire insurance itself.

N. F. P. A. NOMINEES CHOSEN

Officers and Committeemen to Be
Elected at Annual Convention,
Scheduled for May 7-10

At the annual meeting of the National Fire Protection Association to be held May 7-10 at Atlantic City, the following slate of officers, just announced by the nominating committee, will be voted on:

President, Allen M. Schoen, Atlanta; first vice-president, Frank C. Jordan, Indianapolis; second vice-president, Frederick T. Moses, Providence, R. I.; secretary-treasurer, Franklin H. Wentworth, Boston; chairman of executive committee, Alfred T. Bell, Atlantic City. Executive committee nominees to serve three-year terms are the following: C. H. Haupt, New York; W. F. Hickey, New Haven, Conn.; W. E. Mallalieu, New York; H. L. Miner, Wilmington, Del.; S. L. Nicholson, New York. Nominees for the 1929 nominating committee are the following: H. O. La-count, Boston, Chairman; Benjamin Richards, Chicago; Sidney J. Williams, Chicago.

Date of Dinner Changed

Change in the date of the observance of the 25th anniversary of W. M. Palmer's connection with the New York Underwriters was announced at the Blue Goose luncheon this week, because April 6, the date previously chosen for the big event falls on Good Friday. Robert Osier, Most Royal Gander, stated that April 10 will be substituted.

SIXTEEN LEGISLATIVE PROPOSALS THROWN OUT

KENTUCKY BILLS ARE KILLED

Measures Affecting Insurance Are Defeated—State Fund Still Has Chance of Passage

FRANKFORT, KY., March 14.—Several insurance bills that were introduced in the Kentucky legislature have been killed. Those that have no chance of passage this session are senate bills 236, 237, 323, 393, 444 and 488, and house bills 22, 38, 129, 329, 379, 386, 618, 622, 631 and 657. Those that still have a chance for passage are senate bill No. 394 and house bills Nos. 70, 318, 321, 322, 423 and 683.

S. B. No. 236 authorized the insurance commissioner to examine companies whenever he deemed prudent.

No. 237 changed the date of filing statements. No. 325 imposed a license of \$10 on non-resident brokers. No. 393 authorized life, health and accident companies to charge policy fees. No. 444 would have established a state fund for insurance of state property. No. 488 prohibited part time fire insurance agencies.

House bill No. 22 permitted suit against liability companies with or without joining the policyholder. No. 38 increased the compensation for injuries under the compensation law. No. 129 forbade commission agreements among fire companies. No. 329 changed the basis of compensation under the compensation law to annual instead of weekly earnings.

Senate bill No. 394 establishing a state fund for insurance of state property is one of those still on the calendar.

Kiwanis Clubs to Cooperate

Earl E. Fisk of Green Bay, Wis., chairman of the special committee of the National Association of Insurance Agents cooperating with local chambers of commerce, announces that Berthold F. Zinn, district governor of the Wisconsin and upper Michigan district of Kiwanis International, has offered to lend the assistance of the several Kiwanis Clubs in his district in the Inter-Chamber Fire Waste Contest conducted by the National Fire Council, under the auspices of the Chamber of Commerce of the United States. This is in accordance with a resolution passed by Kiwanis International. Mr. Fisk pointed out, Mr. Zinn will ask each Kiwanis Club in his district to cooperate with their local chambers of commerce in the Inter-Chamber Fire Waste Contest, assisting those who are already entered and endeavoring to secure the entry of those who are not taking part in the work at the present time.

Miscellaneous Notes

A. F. Powrie of Chicago, western manager of the Fire Association, is on a trip to Cuba and other points in the south.

C. N. Comegys of Chicago, assistant manager of the Oil Association, and J. K. Ross, representative at Tulsa, spent last week in Kansas and Oklahoma on business.

J. K. Pratt was reelected president of the Fire Insurance Agents Association of Eugene, Ore., with Henry Tromp, re-elected vice-president and Charles L. Sigman elected as secretary-treasurer.

Howard L. White was elected president of the Insurance Exchange of Portland, Ore., at the annual meeting with Cass A. Campbell, as vice-president; E. C. Mears as secretary, and L. A. West as treasurer. Miss F. M. Herman was reappointed assistant secretary in charge of the exchange office for another year.

The Jefferson county grand jury at Louisville, Ky., Monday returned an indictment against Nathan Morguelan, charging that he set fire to his shoe store at 746 East Jefferson street, and his dry goods store next door at No. 748 on the night of Feb. 27 for the purpose of collecting insurance. The true bill set forth that Morguelan carried insurance totaling \$15,500.



TAKING A CHANCE

There are plenty of chances you have to take without taking the ones you can sidestep. You no doubt are acquainted with banks (where you probably keep an account), bankers, or stock brokers who face one particular chance that they could easily avoid if you would tell them how. That chance, so unnecessary and yet so filled with danger, is the sending of registered mail without the protection of Registered Mail Insurance.

Stocks, bonds, securities and such valuables must be sent by banks, stock brokers and corporations. For the reason that only a limited indemnity for each package or letter is allowed by the Government, Registered Mail Insurance is the only adequate safeguard where the package exceeds this maximum indemnity value.

There are bankers in your town; there are corporations and perhaps stock brokers. They may be taking chances daily sending valuable securities far in excess of the ordinary protection given. They will welcome your interest in their behalf when you show them the worth of Registered Mail Insurance. And you will welcome the premium income that can be built up from such a business, not to mention the opportunity such policies offer you to get in on larger lines.

The Franklin Fire offers to agents a wide range of insurance covers. Well qualified agents in territories where this Company is not already represented, are invited to investigate the advantages offered by this old established Company.

The FRANKLIN FIRE INSURANCE COMPANY

OF PHILADELPHIA

ORGANIZED APRIL 1829

CASH CAPITAL \$1,000,000



NATIONAL LIBERTY Insurance Company of America

SUMMARY OF 69th ANNUAL STATEMENT January 1, 1928

CAPITAL	\$ 2,000,000.00
PREMIUM RESERVE	9,637,599.00
RESERVE FOR ALL OTHER LIABILITIES.....	1,458,105.00
NET SURPLUS	14,689,493.00

TOTAL ASSETS	\$27,785,197.00
--------------------	-----------------

SURPLUS TO POLICYHOLDERS.....	\$16,689,493.00
-------------------------------	-----------------

Fire, Automobile, Windstorm, Tornado, Sprinkler Leakage, Rent and Rental Value, Use and Occupancy, Tourist Baggage, Explosion, Property Damaged by Aircraft, Riot and Civil Commotion, Inland Marine, Parcel Post, Registered Mail.

Home Office—709 Sixth Avenue
New York City, N. Y.

THE London & Lancashire Insurance Company

Limited
of London

HENRY W. GRAY, U. S. Manager
Hartford, Conn.

CHARLES E. DOX, Manager
Western Department
223 West Jackson Boulevard
Chicago, Illinois

GEORGE O. SMITH, Manager
San Francisco

An Open Letter to Harmonia Agents--

Digging Up Leads for
Parcel Post Insurance

New Business counts big!

One line of insurance that produces worthwhile new business is Parcel Post Insurance. To work up a list of prospects for this coverage, turn first to your own customer file. Are there any of your fire or other insurance clients who ship considerable goods by parcel post? Add their names to your list. Then visit the industrial section of your town. Find out who is in charge of shipments—not just the shipping clerk, but the man with actual authority. Add these names to your list.

Once your list is compiled, solicit it carefully. Mail out advertising literature first. Then make your call.

The folders? The Harmonia Fire Insurance Company will send these to its agents upon request. You can dig up your leads. Do it and get new business.

In territories where the Harmonia Fire Insurance Company is not already represented, applications from reputable agents for representation will be considered.

HARMONIA
Fire Insurance Company
NEW YORK OFFICE
59 MAIDEN LANE



National Inspection Company

Incorporated 1903

This corporation reports on the underwriting aspects of heavy manufacturing and mercantile properties throughout the following states:

Michigan
Wisconsin
Minnesota
Ohio

Indiana
Illinois
Iowa
Nebraska
Missouri

Kansas
Kentucky
Tennessee
Oklahoma

Managed by

J. G. Hubbell

H. B. Chrissinger

R. L. Thiele

176 West Adams St., Chicago, Ill.

MINNEAPOLIS FIRE & MARINE INS. CO.

430 Oak Grove Street
Minneapolis, Minnesota

Fred C. Van Dusen, President
Walter C. Leach, Sec'y and Treas.

John D. M. McMillan, Vice-Pres.
F. M. Merigold, Ass't Secy.

FIRE—TORNADO—THRESHER—AUTOMOBILE INSURANCE

CHANGES IN THE FIELD

GOES WITH GLOBE & RUTGERS

Harry T. Johnson of the Fireman's Fund Takes the Special Agency for Illinois

Harry T. Johnson, special agent of the Fireman's Fund in northern Illinois, has been appointed special agent of the Globe & Rutgers in Illinois. The Rollins-Burdick-Hunter Company of Chicago is state agent of the Globe & Rutgers. Their main business, however, is the Chicago and Cook county local agency. The agents in Illinois hereafter will report direct to the home office, but Rollins-Burdick-Hunter Company will continue to exercise supervision. Mr. Johnson will have his headquarters in their agency in Chicago.

A. E. Duncan, Jr.

The Glens Falls announces the appointment as special agent in eastern Pennsylvania, excepting Philadelphia and suburban territory, of A. E. Duncan, Jr., who will have headquarters at 136 South Fourth street, Philadelphia.

Mr. Duncan has had seven years special agency experience as representative of the general agency of Thompson, Derr & Bro., Wilkes-Barre, Pa. He comes from an insurance family, his father at the time of his death having been president of the Franklin Fire. He will supervise the eastern half of the territory formerly supervised by Special Agent Russell and that part of eastern Pennsylvania territory formerly supervised by Special Agent Roberts. Mr. Roberts, who has been appointed manager of the Philadelphia branch office, will still continue to supervise the Philadelphia suburban field.

CHADWICK WITH FIREMENS

Succeeds F. W. Sullivan as State Agent in the Northern Section of Illinois Field

Frank Chadwick, Jr., of Rockford, Ill., special agent of the American, has been appointed state agent of the Firemen's, Pittsburgh Underwriters and Keystone Underwriters for northern Illinois to succeed Fred W. Sullivan who was called to the western department office in Chicago as superintendent of agents. Mr. Chadwick has a wide acquaintance in the field.

Harold E. Reed

The Automobile and the Standard of Hartford announce the appointment of Harold E. Reed as state agent for Iowa, with headquarters at 306 Hubbell building, Des Moines. Mr. Reed has been supervising the Nebraska-South Dakota field for the Automobile and the Standard and is being transferred to Iowa to succeed James E. Bright, resigned.

For the present, Mr. Reed will also retain supervision of the Nebraska-South Dakota field until arrangements are completed to transfer a special agent from another field who has been assigned to this territory.

Kansas Field Adjusted

The Firemen's group has made a rearrangement of its Kansas field. J. Y. Dickerson, of Topeka, is state agent of the Firemen's, Superior and Concordia. Victor E. Herbert of Topeka occupies a similar position for the Girard, Mechanics and National-Ben Franklin. This results in the retirement of State Agent W. A. Drum of Topeka.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

HALIFAX FIRE IS ADMITTED

Admission to New York has been secured by the Halifax Fire of Nova Scotia, the latest acquisition to the Home group of companies. The president and vice-president of the Home are joint United States managers of the Halifax, while the American Exchange Irving Trust Company is the United States trustee. The Halifax Fire has assets in this country of \$507,500 and no liabilities.

RATE REDUCTION ORDERED

Revision downward in the existing rates for owners', landlords' and tenants public liability insurance in the

New York City area has been ordered by Superintendent James A. Beha. The order is based on the recently established advance in general liability rates in this territory which resulted in making the rates now charged for the property owners' and tenants' coverage too high. The old rates were \$5 for one-family dwellings and \$6 for two-family dwellings. This rate was advanced to \$7.50 for the first class and \$9 for the second. Mr. Beha's order is as follows: "As a result of a hearing held before me on Feb. 23, 1928, in the above matter, and it having been found by me

"That the rates established on private residences and two-family dwellings in Greater New York will, on the

Insurance Stocks

BOUGHT — SOLD — QUOTED

Our Insurance and Bank Stock Department Under the Supervision of

Mr. Howard W. Cornelius

Will Be Glad to Furnish Quotations and Information Upon Request.

LEWIS-DEWES & CO. INC.

111 West Monroe St.
CHICAGO

Telephone Randolph 4460

Branch Office, 930 Michigan Trust Bldg., Grand Rapids, Mich.

QUOTATIONS APPEAR REGULARLY IN THE NATIONAL UNDERWRITER

basis of past experience, produce an excessive and unreasonable profit, and "That, on the basis of past experience, there was no justification for increasing the rates on private residences and two-family dwellings in Greater New York, and

"That an unfair discrimination exists in the rates established for two-family dwellings in Greater New York and outside of Greater New York in the state of New York;

"The National Bureau of Casualty & Surety Underwriters and its members and subscribers are hereby ordered immediately to adjust the rates on the above classes of risks and remove the unfair discrimination found to exist, so that the rates fixed on such classes of risks shall be reasonable and non-discriminatory."

HALIFAX TO ENTER NEW YORK

Formal application of the Halifax Fire of Halifax, N. S., for admission to New York probably will be made this week.

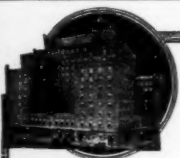
SECRETARIAL POSITION WANTED

Young woman with over 10 years experience in an insurance office, capable of assuming responsibility and taking care of all detail work, desires a secretarial position in fire, casualty or life insurance office. Phone Euclid 3029 or Address D-72, care The National Underwriter.

FOR SALE—A leading insurance agency in Missouri valley city of 90,000 population, writing all kinds of fire, casualty and bonds. Twenty strong companies represented. Premiums about 90,000 per year. A money maker. Owner has personal reasons for selling. Address D-74, care The National Underwriter.

4Year Insurance Analysis Copy on Request

J. K. Rice, Jr. & Co.
120 Broadway
NEW YORK CITY



NEW NICCOLLET HOTEL
Insurance Men's Headquarters in Minneapolis

The best hotel in the Northwest, opened in 1924 contains six hundred rooms and first class restaurants.

Moderate Rates Prevail
W. B. CLARK, Manager

CEDAR RAPIDS, IA. HOTEL ROOSEVELT

Rates: Room without Bath with private Lavatories \$1.50 and up. Rooms with Bath, Shower or Tub \$2.50 and up.

R. G. KILL, Mgr.

HARRY R. BUSH
President

B. C. VITT
Superintendent of Agencies

CLYDE A. HOLT
Secretary



Capital
\$500,000.00

Incorporated
1906

Surplus to Policyholders.....\$1,052,665.27

Is prepared to furnish insurance as follows:

Fire; Lightning; Tornado; Automobile Fire, Theft, Collision, and Property Damage; Automobile Dealers Policies; Rents and Rental Values; Profits and Commissions; Use and Occupancy; Hail and Rain Insurance.

The control of the Halifax was recently acquired by the Home of New York group. It is generally believed that when the Halifax is admitted to the United States, the managers in this country will be Charles L. Tyner, president, and Wilfred Kurth, vice-president, of the Home.

STOCK MARKET ACTIVE

NEWARK, N. J., March 14.—The declaration of a stock dividend by the Firemen's several days ago had an immediate effect upon the stocks of all classes of insurance companies of this city. Shares of the American went up two points to 33. Those of the Commercial Casualty advanced five points to 64, the New Brunswick Fire jumped two points and shares of the Eagle Fire reached their best figure. Insurance stocks are popular with investors of Newark, and the interest had in them is largely responsible for the launching of several new underwriting corporations during the past few months, and for the intended formation of still others.

AS SEEN FROM CHICAGO

LADD IN NEW QUARTERS

Arthur L. Ladd, well-known Chicago adjuster, will move into new and larger quarters at A-2027-31 Insurance Exchange South this week. Mr. Ladd has expanded his service to include casualty lines. He has employed specialists to take charge of the various departments. He is one of the veteran adjusters in this city and comes into his new location well equipped to render immediate service to the insurance companies.

OPENS CHICAGO BRANCH

The Republic Automobile of Detroit, one of the progressive stock companies of Michigan, which does a very profitable business, has opened a Chicago branch office in A-1915 Insurance Exchange South. J. J. Green, formerly with the Bankers Indemnity Chicago office, has been appointed manager.

FATE OF RATE CASES

Following the United States Supreme Court decision in the Kansas rate case, declaring that it would not assume jurisdiction, it is supposed now that the attorneys for the companies will file individual suits as was the case with the Missouri litigation. Whether the Kentucky rate case will be subject to a similar fate as the Missouri and Kansas cases remains to be seen. Some of the state's attorneys in Kentucky feel that the court will follow the same course. Manager Parker of the Kentucky Actuarial Bureau thinks that the Kentucky case presents an entirely different question from the others. Companies have been losing money in Kentucky right along, he said, and the officers of the last administration admitted that. Guy

Hotel Directory

BREVOORT HOTEL

Madison Street
East of LaSalle CHICAGO
Insurance Headquarters

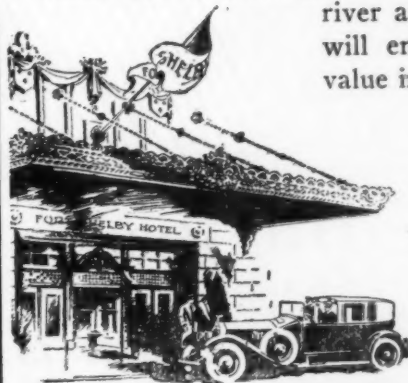
Brevoort Hotel upholds worthily the best traditions of American hotels famed for hospitality.

When in Omaha Hotel Conant

New—Fireproof
250 Rooms with Bath
Rates \$2 to \$3

HOTEL FORT SHELBY LAFAYETTE AND FIRST DETROIT

Whether your choice be one of the many very comfortable rooms at \$2.50, \$3 or \$4 or one of the richly furnished suites in the 22-story recent addition, whose sunny bay windows give an entrancing view of city, river and Canadian shore, you will enjoy a special sense of value in Hotel Fort Shelby.



All rooms have Servidors. Convenient to all downtown; principal shops almost at the door. Garage in connection; cars delivered without service charge. Excellent facilities for conventions.

Brochure on request.

Two Squares from Chicago's Insurance Center

Great Northern Hotel

Dearborn Street from
Jackson to Quincy
CHICAGO

The "Comfortable Great Northern" is in Chicago's central business section, within one block of State Street, the great shopping thoroughfare, and close to the theater, financial and wholesale districts.

400 Large, Bright, Livable Rooms, \$2.50, \$3, \$3.50, \$4, \$5, and a few extra large corner rooms at slightly higher prices. For two persons in any room the additional cost is only \$1 a day. No extra charge over main restaurant prices for service of meals in guest rooms.

Garage near. Guests' cars delivered without service charge.



Whatever you have to say to Insurance men, you can do it more effectively through the advertising columns of The National Underwriter. One inch one column Want Ads are \$5.00 an insertion. Other rates on application.

National Underwriter, Chicago

H. Briggs of Frankfort, one of the special attorneys employed by the state, said that the principles involved in Kentucky are the same as in the Kansas case.

FIELD CLUB MEETS JUNE 26-27

The 1928 annual meeting of the Illinois Field Club will be held in the Highland hotel, Delavan, Wis., June 26-27. Harry Wood of the Dubuque and William Rearden of the Netherlands have been appointed to begin arrangements for the meeting.

TEN OFFICES MOVE

Latest arrivals in the new Insurance Exchange South are the following: Eils, Lodding & Jacobs, A-2033; J. G. Lobstein & Co., A-1930; Ullman, Thompson & Co., A-1330; Underwriters Adjusting Company, A-1227; P. N. Cutler, A-342; Western Automobile Underwriters Conference, A-1727; Jacobs Bros., A-1234; Affeld-Heise, A-2146; Century Indemnity, A-1802; Union Mutual Life, A1840.

NEW "FOLLIES" PLANNED

Officers and directors of the Insurance Club of Chicago announce that a new edition of the "Insurance Follies" will

be staged at the Eighth Street theatre May 11-12. Barton F. Walker of Hodgkinson & Durfee is in charge of production, assisted by Charles Uplegger of W. S. Jacobs & Co., and E. Walter Geisler of Fred S. James & Co. Earl Fleming of Lunde & Buswell is business manager.

The first assembly of talent will be held in the auditorium of the Insurance Exchange March 26. The second will be held March 29.

On April 4 the club will hold the first anniversary celebration of the opening of its present quarters in the Great Northern hotel. Open house will be held in the clubrooms and dinner will be served.

O'HANLON ADDRESSES AUTO MEN

E. P. O'Hanlon, vice-president of the Hooper-Holmes Bureau, addressed the weekly meeting of the Automobile Superintendents' Club of Chicago on Monday of this week. His subject was the organization of the Bureau and the methods in which it serves companies. Mr. O'Hanlon's address was interesting in the extreme and the speaker held his auditors at close interest.

At its next meeting, March 19, the

club will be addressed by R. H. Schutz, supervisor of the service and production department in the Chicago office of the Retail Credit Company.

LYTTON MADE A DIRECTOR

The Fire Insurance Company of Chicago announces that George Lytton, vice-president and manager of Henry C. Lytton & Sons, owners of the Hub store in Chicago, has been made a director.

FIRM TAKES LARGER OFFICES

Strom, Carlson & Grupe, Chicago insurance firm, has moved from 2008 Illinois Merchants Bank Building to 2077 in the same building. The new quarters, which are considerably larger than the old, were made necessary by the firm's expansion of activities in recent months.

Alfred Stinson, vice-president of the Automobile, was in Chicago this week. He has been on a western trip.

Kueter & Olson, independent adjusters, Chicago, have moved to more commodious quarters at 330 South Wells street, Wells-Van Buren building.

Frank L. Erlon & Co., the well known

Chicago adjusters, have moved their offices in that city to 1504-330 South Wells street, the Wells-Van Buren building.

INSURANCE STOCK QUOTATIONS

H. W. Cornelius of Lewis, Dewes & Co. of Chicago, the investment house, gives the following insurance stock quotations as of March 12:

Mar. 11, 1928

Stock	Par	Bid	Asked	Div. per share
Aetna Cas. & Sur.	100	900	920	\$12.00
Aet. Cas. & S. Rts.	100	395	405	...
Aetna Fire	100	855	870	24.00
Aetna Life	100	858	868	12.00
Agricultural	25	138	145	4.00
Allemania	50	175	...	10.00
Alliance, Pa.	10	77	80	2.00
Amer. Alliance	100	640	655	16.00
American Auto.	10	65	...	...
Amer. Druggists	25	83	87	3.00
American Equit.	5	64	67	1.20
American Ins.	5	32	33	1.00
American Res.	10	103	107	2.25
Amer. Salamandra	50	70	80	...
American Surety	50	322	328	12.00
Automobile	100	400	410	...
Baltimore Am.	10	87	90	1.20
Bankers & Ship.	100	515	530	10.00
Boston	100	1040	1060	18.00
Buffalo	100	425	500	13.00
Camden	5	30	33 1/2	1.40
Carolina	10	71	74	1.70
Central West Cas.	50	75	82	...
Chicago F. & M.	10	15	17	...
City of N. Y. Ins.	100	660	675	16.00
Colonial States	10	23	26	...
Colum. National	25	18	22	2.00
Com. Casualty	10	60	63	1.60
Commonwealth	100	640	...	20.00
Cont. Casualty	10	69	72	1.60
Continental, N. Y.	10	77	79	2.00
Detr. Fld. & Sur.	50	93	96	...
Detroit F. & M.	50	275	300	9.00
Detroit Nat. Fire	25	22	26	1.00
Dubuque F. & M.	100	...	...	20.00
Excelsior Ins.	5	12	...	...
Fed. Surety (New)	100	125	135	...
Fidelity & Cas.	25	205	210	5.00
Fidelity & Dep.	50	290	293	6.00
Fidelity-Phoenix	25	200	204	5.00
Fire Assn.	10	72	74	2.50
Firemen's Fund	25	119	122	5.00
Firemen's	10	60	65	2.20
Franklin Fire	25	350	360	8.00
Gen. Cas. & Sur.	50	...	...	...
Glens Falls	10	58	60	1.60
Globe & Rut.	100	2780	2820	40.00
Gr. Amer. Cas.	25	15	20	...
Great Amer. Ind.	10	87	90	...
Great Amer. Fire	10	52	55	...
Great Lakes	10	12	15	1.00
Guardian Fire	25	108	113	1.25
Halifax Fire Ins.	10	65	69	...
Hanover (New)	10	74	76	...
Harmonia	10	70	72	1.40
Hartford Fire	100	845	855	20.00
Hartford St. Boil.	100	840	875	18.00
Henry Clay	10	10	12	.80
Home, N. Y.	100	620	630	20.00
Homestead	10	54	57	.60
Importers & Exp.	25	102	104	4.00
Independ. Ind.	100	350	370	...
Independ. Fire	10	23	25	.60
Ins. Co. of N. A.	10	89	90	2.00
Iowa National	100	130	...	8.00
Iroquois Fire	50	...	40	...
Lincoln, N. Y.	25	113	117	4.50
Maryland Cas.	25	182	186	4.50
Merchants, Com.	25	320	340	8.00
Merchants, Fld.	100	125	...	7.00
Mechanics	25	90	...	2.50
Metrop. Cas.	25	80	82	4.00
Metrop. Fire	10	9	11	1.00
Michigan F. & M.	50	...	...	5.00
Milw. Mechanics	10	52	54	1.80
National Cas.	10	53	56	1.20
National, Ct.	100	1110	1124	20.00
National Liberty	10	206	212	2.00
National Union	100	315	325	12.00
National Surety	100	322	324	10.00
New Amster. Cas.	10	73	74	2.80
New Brunswick	10	64	67	...
New Century	50	85	...	4.50
New England Fire	10	57	...	1.60
New Hampshire	100	540	570	16.00
New Jersey	20	62	66	1.80
New York Cas.	25	124	130	4.00
Niagara (New 145-150)	...	285	300	...
North., ex-rights	100	460	...	10.00
North., Ins. rights	...	30	35	...
North River	25	280	288	5.00
N. W. National	25	185	200	...
Occidental	...	33	35	...
Pacific Fire	25	165	175	3.50
Pacific Indemnity	50	157	160	...
Peoples National	25	61	63	1.00
Phoenix, Ct.	100	840	850	20.00
Pioneer Fire	20	20	...	...
Preferred Acci.	100	540	555	18.00
Presidential	25	...	...	...
Prov. Wash.	100	790	810	14.00
Reliance Cas.	100	160	170	...
Reliance, Pa.	10	29	31	1.20
Rhode Island	100	350	380	12.00
Rossia	25	180	185	6.00
Security Rts.	...	13	15	...
Security, N. H.	25	118	123	3.00
South. Sur. (New)	10	33	35	1.60
Springfld. F. & M.	25	215	220	4.00
St. Paul F. & M.	25	221	227	4.00
Stuyvesant	100	275	285	6.00
Travelers	100	1740	1765	22.00
U. S. Fld. & Guar.	50	353	355	10.00
U. S. Mer. & Ship.	100	495	505	8.00
Westchester	10	82	84	2.50



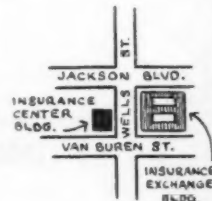
REPRESENTATIVE INSURANCE TENANTS OF THE INSURANCE CENTER BUILDING

Commercial Underwriters Corporation
Missouri State Life Insurance Co.
London & Lancashire Indemnity Co.
Miles & Miles, General Agents, Union Automobile
H. M. Robinson Co., Adjusters
Whitaker & Jackson
National Lumber Mutual Ins. Co.
Indemnity Mutual Credit Insurance Co.
Buernemann & Knapp
Charles A. Russell Co., Adjusters
Conservative Life Insurance Co.
Wm. E. Forde, General Agent, Conservative Life
National Underwriters' Corporation

HERE ... In the Heart of Chicago's Insurance Center is Office Space at Unbelievably Low Rentals

WHEREVER you are—whatever you are paying for rent . . . you ought to consider the Insurance Center Building. This newly erected 16-story structure offers every convenience for insurance organizations. It is designed for maximum light and air—individual offices and suites are planned for greatest efficiency—the location opposite the Insurance Exchange Building and in the heart of Insurance Chicago—And the rent is unbelievably low—you are certain to profit by the change.

Why not get a sample floor plan of this new Insurance Center Building? We will be glad to send you one—Just phone Mr. R. B. Witwer, Building Manager, Harrison 5080 or Central 5753.



INSURANCE CENTER BUILDING

330 South Wells Street
Northwest Corner of Wells and Van Buren Streets
Frankenstein & Co., Agents

110 So. Dearborn Street
CHICAGO

Telephone Central 5753
ILLINOIS

FIRE RETURNS BY STATES

Net Premiums Received and Losses Paid Last Year in the Various Commonwealths

NEW YORK

	Premia.	Losses
Ohio Hardw. Mut.	F. 63,564	25,932
British General	T. 63,741	25,957
Indem. M. Mar., Eng.	F. 24,388	38,370
Tokio Marine & Fire	T. 20,428	51,145
Century, Eng.	F. 407,962	228,792
Citizens, Mo.	F. 916,057	476,933
Eureka-Secur. F. & M.	F. 311,501	131,269
Firemen's Fund	F. 682,093	282,673
Home F. & M., Calif.	F. 226,136	113,165
Ins. Co. of N. A.	F. 231,603	124,378
Philadelphia F. & M.	F. 79,095	15,951
Peoples Nat., Del.	F. 864,899	16,398
Republic, Pa.	F. 2,587,263	1,439,163
Twin City	F. 276,147	103,851
La Salle, La.	F. 278,427	89,677
Merchants, Colo.	F. 2,880,165	968,493
Amer. Equit., N. Y.	F. 6,647,432	3,296,639
Baltimore Amer.	F. 149,310	55,203
Kulcherbocker	F. 367,433	262,865
New York Fire	F. 292,323	171,694
National Liberty	F. 218,425	176,680
Merch. F. As., N. Y.	F. 105,239	53,761
Rein. Corp. of Amer.	F. 104,988	43,298
Alliance	F. 118,463	53,963
Nat. Ben Franklin	F. 131,316	47,927
Nat. Security, Neb.	F. 13,129	12,167
Newark Fire	F. 12,858	12,167
New England	F. 74,887	28,284
Guardian Fire	F. 79,221	28,284
Mech. & Traders, La.	F. 901,373	286,127
Christiana G., Norway	F. 915,814	291,743
Security Fire, Conn.	F. 77,642	164,439
Superior, Pa.	F. 502,944	240,914
Grain Dealer M., Mass.	F. 208,168	99,352
Niagara	F. 309,537	115,985
Prudential	F. 169,593	51,875
Star of Amer.	F. 1,384,610	633,473
Concordia	F. 1,566,144	715,988
Grand F. & M., Pa.	F. 458,186	184,317
Federal Union, Ill.	F. 588,948	287,031
Lumbermen's, Pa.	F. 6,292	57
Mechanics, Pa.	F. 6,448	57
Milwaukee Mechanics	F. 33,033	112,562
Fus & Mar., Japan	F. 571,640	250,280
Liver, Lond. & Glodo	F. 276,232	129,394
London Assur.	F. 280,003	150,679
Royal Exchange	F. 7,725	4,275
Swiss Reins.	F. 70,466	56,783
World Auxiliary	F. 528,508	281,524
Springfield F. & M.	F. 652,003	335,383
Potomac, D. C.	F. 18,614	.....
Federal, N. J.	F. 19,351	.....
Michigan F. & M.	F. 246,766	160,610
Phoenix Assurance	F. 249,544	161,731
Sentinel	F. 179,109	76,349
Standard, N. J.	F. 194,994	83,313
Allemania	F. 570,765	212,295
Central F. of Balt.	F. 578,277	213,705
East & West	F. 423,321	220,265
Northern Assurance	F. 560,826	238,230
Union of Canton	F. 257,279	120,617
Yorkshire, Eng.	F. 258,643	120,815
Manuf. Lumb. Und.	F. 63,911	20,885
Firemen's Fire	F. 1,635,913	569,284
	F. 1,852,610	687,329
	F. 370,026	142,208
	F. 177,280	107,521
	F. 214,463	161,551
	F. 365,164	181,870
	F. 708,289	229,701
	F. 707,979	230,348
	F. 407,918	264,910
	F. 112,998	268,881
	F. 105,003	53,947
	F. 121,902	60,381
	F. 133,318	51,058
	F. 197,043	71,464
	F. 156,218	69,884
	F. 207,250	76,225
	F. 394,130	205,115
	F. 603,387	346,205
	F. 297,985	279,418
	F. 1,680,269	865,892
	F. 2,107,127	1,050,331
	F. 402,699	174,511
	F. 536,360	225,392
	F. 437,214	184,119
	F. 575,466	207,754
	F. 698,347	283,776
	F. 714,648	279,745
	F. 9,967	10,938
	F. 6,901	19,732
	F. 1,336,016	555,470
	F. 1,634,087	655,005
	F. 149,214	54,531
	F. 330,514	136,649
	F. 156,694	68,291
	F. 157,765	68,295
	F. 714,652	329,068
	F. 798,502	346,850
	F. 53,545	17,315
	F. 53,881	17,315
	F. 311,576	160,734
	F. 311,576	160,734
	F. 188,143	110,203
	F. 191,523	110,203
	F. 152,292	87,052
	F. 152,038	87,052
	F. 50,179	16,268
	F. 50,823	16,203
	F. 619,611	201,264
	F. 929,354	439,386
	F. 284,921	49,381
	F. 708,411	364,727
	F. 237,417	90,351
	F. 271,384	94,600
	F. 11,975	.....
	F. 11,975	.....
	F. 54,494	23,273

NEW JERSEY

	Premia.	Losses
Ajax, N. J.	F. 72,649	2,048
American, N. J.	F. 72,649	2,048
Athletic City	F. 825,297	301,219
Camden	F. 912,410	331,489
Columbia, N. J.	F. 75,953	12,213
Eagle, N. J.	F. 75,953	12,213
Eastern, N. J.	F. 582,106	152,949
Federal Fidelity, N. J.	F. 652,629	174,611
Firemen's	F. 55,592	28,014
Jersey Coast	F. 60,881	29,405
Merch. & Mfrs., N. J.	F. 240,991	87,914
National Guar., N. J.	F. 242,299	88,108
Newark	F. 55,601	11,489
New Brunswick	F. 176,247	86,917
New Jersey	F. 70,846	9,042
Seaboard, N. J.	F. 70,846	9,042
Standard, N. J.	F. 696,646	288,817
Universal, N. J.	F. 724,239	293,715
N. J. Mfrs. As. Lloyds	F. 38,384	3,555
Abington Mut., Mass.	F. 38,384	3,555
Aetna	F. 38,384	3,555
Agricultural	F. 38,384	3,555
Albany	F. 38,384	3,555
Allemania	F. 38,384	3,555
Alliance	F. 38,384	3,555
Allied Am. Mut. Auto.	F. 38,384	3,555
Allied, N. Y.	F. 38,384	3,555
American Alliance	F. 38,384	3,555
Amer. & Foreign	F. 38,384	3,555
American Central	F. 38,384	3,555
American Drug., Ohio	F. 38,384	3,555
American Eagle	F. 38,384	3,555
Amer. Equitable	F. 38,384	3,555
Amer. Lloyds, N. Y.	F. 38,384	3,555
Amer. Mut., R. I.	F. 38,384	3,555
American National	F. 38,384	3,555
American Reserve	F. 38,384	3,555
American Union	F. 38,384	3,555

	Premia.	Losses
Automobile	F. 184,145	200,294
Baltimore Amer.	F. 448,411	254,909
Bankers & Shippers	F. 102,530	22,968
Berkshire Mutual	F. 28,249	45,195
Birmingham	F. 161,783	51,327
Blackstone, R. I.	F. 263,837	104,990
Boston	F. 6,424	2,762
Bucks Co. Contrib., Pa.	F. 6,424	2,762
Buffalo	F. 484	573
Caledonian-American	F. 20,387	7,718
California	F. 20,411	8,560
Cambridge Mut.	F. 154,277	69,930
Carolina	F. 178,765	73,861
Central, Md.	F. 1,329	.....
Cent. Mfrs. Mut., O.	F. 70,026	19,746
Chicago F. & M.	F. 70,055	19,746
Citizens, Mo.	F. 20,629	4,243
City of N. Y.	F. 20,867	4,345
Columbia, Ohio	F. 13,351	17,606
Commerce	F. 13,670	17,661
Commercial Union	F. 3,724	1,636
Commonwealth	F. 3,762	1,642
Concordia	F. 34,455	3,094
Connecticut	F. 37,283	5,806
Cotton & Wool, Mfr. M.	F. 41,605	11,705
County, Pa.	F. 41,827	11,705
Delaware	F. 39,209	13,536
Detroit F. & M.	F. 60,682	27,334
Detroit National	F. 42,512	22,663
Eagle	F. 71,626	31,256
East & West	F. 72,614	32,617
Employers, Mass.	F. 152,052	56,100
Enterprise Mut., R. I.	F. 178,833	64,632
Equitable F. & M.	F. 23,085	23,085
Equity	F. 23,085	23,085
Excelsior	F. 23,085	23,085
Export	F. 23,085	23,085
Farmers, Pa.	F. 23,085	23,085
Federal Union	F. 23,085	23,085
Fidelity Phenix	F. 23,085	23,085
Fire Assn. of Phila.	F. 23,085	23,085
Fire Co. of Northampton	F. 23,085	23,085
Firemen's Fund	F. 23,085	23,085
Firemans' Wash. and Georgetown	F. 23,085	23,085
Firemen's Mut., R. I.	F. 23,085	23,085
Fire Reinsurance	F. 23,085	23,085
First American	F. 23,085	23,085
Fitchburg Mut., Mass.	F. 23,085	23,085
Franklin	F. 23,085	23,085
Franklin Nat.	F. 23,085	23,085
General Exchange	F. 23,085	23,085
Gen. of Amer., Wash.	F. 23,085	23,085
Grand F. & M.	F. 23,085	23,085
Glen Cove Mut., N. Y.	F. 23,085	23,085
Glens Falls	F. 23,085	23,085
Globe	F. 23,085	23,085
Globe & Rutgers	F. 23,085	23,085
Gr. Deal. Nat. M., Ind.	F. 23,085	23,085
Granite State	F. 23,085	23,085
Great American	F. 23,085	23,085
Great Lakes	F. 23,085	23,085
Guaranty	F. 23,085	23,085
Guardian	F. 23,085	23,085
Hamburg American	F. 23,085	23,085
Hamilton	F. 23,085	23,085
Hampton Rds. F. & M.	F. 23,085	23,085
Hanover	F. 23,085	23,085
Hardw. Dl. Mut., Wis.	F. 23,085	23,085
Harmonia	F. 23,085	23,085
Hartford	F. 23,085	23,085
Holyoke Mut.	F. 23,085	23,085
Home F. & M., Cal.	F. 23,085	23,085
Home, N. Y.	F. 23,085	23,085
Homeland	F. 23,085	23,085
Homestead	F. 23,085	23,085

	Premia.	Losses
Hope Mut., R. I.	F. 55,651	4,633
Hudson	F. 55,651	4,633
Imperial	F. 55,651	4,633
Importers & Exp.	F. 55,651	4,633
Independence	F. 55,651	4,633
Indiana Lumber Mut.	F. 55,651	4,633
Industrial, Ohio	F. 55,651	4,633
Industrial Mut., Mass.	F. 55,651	4,633
Ins. Co. of No. Amer.	F. 55,651	4,633
Ins. Co. State of Pa.	F. 55,651	4,633
International	F. 55,651	4,633
Inter-Ocean	F. 55,651	4,633
Keystone Mut.	F. 55,651	4,633
La Salle	F. 55,651	4,633
Liberty Bell	F. 55,651	4,633
Lincoln	F. 55,651	4,633
Lumbermen's, Pa.	F. 55,651	4,633
Lumbermen's Mut., O.	F. 55,651	4,633
Lumber Mut., Mass.	F. 55,651	4,633
Manhattan F. & M.	F. 55,651	4,633
Mansfield Mut., O.	F. 55,651	4,633
Manton Mut., Pa.	F. 55,651	4,633
Manufact. R. I.	F. 55,651	4,633
Maryland	F. 55,651	4,633
Massachusetts F. & M.	F. 55,651	4,633
Mech. & Traders, La.	F. 55,651	4,633
Mechanics, Pa.	F. 55,651	4,633
Mechanics Mut., R. I.	F. 55,651	4,633
Mercantile	F. 55,651	4,633
Mercantile Mut., R. I.	F. 55,651	4,633
Merchants Fire, N. Y.	F. 55,651	4,633
Merchants, Colo.	F. 55,651	4,633
Merchants, R. I.	F. 55,651	4,633
Merchants Mut., R. I.	F. 55,651	4,633
Merrimack M., Mass.	F. 55,651	4,633
Michigan F. & M.	F. 55,651	4,633
Mich. Millers Mut.	F. 55,651	4,633
Millers Mut., Ill.	F. 55,651	4,633
Millers Mut., Pa.	F. 55,651	4,633
Millers Mut., Tex.	F. 55,651	4,633
Millers Natl., Ill.	F. 55,651	4,633
Miller Owners Mut., Ill.	F. 55,651	4,633
Milwaukee Mechanics	F. 55,651	4,633
Minnesota Imp. Mut.	F. 55,651	4,633
Mut. of Chester Co. Pa.	F. 55,651	4,633
Narragansett Mut.	F. 55,651	4,633
Nat. Ben Franklin	F. 55,651	4,633
National, Conn.	F. 55,651	4,633
Nat. Imp. Mut., Minn.	F. 55,651	4,633
National Liberty	F. 55,651	4,633
National Reserve	F. 55,651	4,633
Nat. Retail Mut., Ill.	F. 55,651	4,633
National Security	F. 55,651	4,633
National Union	F. 55,651	4,633
New England	F. 55,651	4,633
New Hampshire	F. 55,651	4,633
New York	F. 55,651	4,633
New York State	F. 55,651	4,633
New York Under.	F. 55,651	4,633
Niagara	F. 55,651	4,633
No. Carolina Home	F. 55,651	4,633
North River	F. 55,651	4,633
North Star	F. 55,651	4,633
Northern	F. 55,651	4,633
Northwestern F. & M.	F. 55,651	4,633
Northwtrn. M., Wash.	F. 55,651	4,633
Northwestern Nat.	F. 55,651	4,633
Ohio Farmers	F. 55,651	4,633
Ohio Millers	F. 55,651	4,633
Ohio Mutual	F. 55,651	4,633
Old Colony	F. 55,651	4,633
Orient	F. 55,651	4,633
Pacific	F. 55,651	4,633
Paper Mill Mut., Mass.	F. 55,651	4,633
Patriotic	F. 55,651	4,633
Pawtucket Mut.	F. 55,651	4,633

MID-WINTER MEETING OF AGENTS ON IN MEMPHIS

(CONTINUED FROM PAGE 3)

brought about largely through the service rendered by the policy writing agent to his community and the insurance companies which he represents.

It follows, therefore, that the National Association of Insurance Agents is vigorously opposed to:

1. Anything which jeopardizes the business of the policy writing agent.
2. Non-policy writing agents.

Want Branches Curbed

3. The further extension of branch offices, as differentiated from department offices organized by insurance companies for the sole purpose of facilitating the underwriting of insurance produced only by regularly licensed recording and policy writing agents and the brokers. This branch office intermediary, between the purchaser of insurance and the company, will inevitably lead to greater cost and poor service to the insuring public, and it has caused the appointment of non-policy writing agents, who render no service that promotes the interest of the insurance business, either to the public or the companies.

4. Appointment of any class of pro-

ducers by insurance companies other than the policy writing agent and the solicitor or broker licensed by law to represent or place business with such agents.

Should Be Differential

The National Association of Insurance Agents believes that those non-policy writing agents now in existence should be placed on a basis of commission which would enable policy writing agents to pay an equal commission with a fair margin of profit about operating cost, and in no event should non-policy writing agents receive a higher commission than is paid to licensed solicitors and/or brokers in any given locality by policy writing agents; that existing offices servicing non-policy writing agents should be operated in accordance with local board rules; confine their writings for non-policy writing agents to full time solicitors domiciled within said offices, and should not accept "over-the counter" business, except in such cities where this may now be the general practice, such as New York, Chicago, Philadelphia and San Francisco.

Basis of Membership

As to the basis of state membership the executive committee adopted the following:

The executive committee announces its

belief, as a matter of policy, that the National Association of Insurance Agents can function best when membership in local boards and state and national associations is co-extensive. Such co-extensive membership can be obtained only by a uniform standard of eligibility for membership in all three organizations.

We, therefore, urge all state associations immediately to incorporate a provision in their constitutions and by laws requiring as a condition precedent to membership that an agent shall be a member in good standing of his local board when there is a local board in his community, to which official recognition has been given by the state association's executive committee.

The Kansas City contingent is present to urge a dual commission arrangement whereby the policy writing agents shall receive ten percent more than the non-policy writing ones.

Company Officials Present

Among company officials present are President E. S. Lott and Field Secretary George R. Fulton, United States Casualty; Vice Presidents W. C. Billings and Stanley Maynard, New York Indemnity; Assistant Secretary J. G. Yost and Agency Supervisor Fred L. Nesbitt, Fidelity & Deposit; Vice President C. R. Street, Great American; Western Man-

ager J. F. Stafford, Sun of England; Assistant Western Manager H. A. Miller, North America; Western Manager E. D. Lawson of W. H. McGee & Co.; Secretary F. Robertson Jones, International Association of Casualty and Surety Underwriters; General Counsel George T. Turner, casualty information clearing house.

Lively Discussion

The executive committee recommended \$10 as the minimum state dues.

The committee's findings that membership in state and national associations should be made coextensive with membership in local boards, brought forth the most spirited discussion of the state officers' meeting. It was finally agreed that varying local conditions rendered impracticable the adoption of any stated percentage of membership of local boards a prerequisite to membership in state and national associations.

Favor \$10 Minimum

In regard to minimum dues for membership in state associations, the executive committee is of the opinion that the state associations are of such value to the membership that a minimum of \$10 should be set for all states. This requirement makes no change in the allocation for the national association. Most states have already adopted the \$10 minimum and it is expected that all states will now fall into line, in view of the unanimous adoption of the executive committee's findings by the state officers' conference.

There were no formal addresses scheduled for the state officers' meeting, but interesting reports were made the five-year development program by W. B. Calhoun of Milwaukee, chairman of the finance committee, and on membership by E. M. Sparlin of Rochester, N. Y., chairman of the membership committee.

Gandy Explains Plan

Charles L. Gandy of Birmingham, a member of the executive committee, was called upon to tell how the Birmingham agents succeeded in quashing newspaper insurance in his city. Mr. Gandy explained that anything which tends to cheapen insurance is detrimental to the interests of the agents and to the business itself. He said that he took an accident policy offered by one of the Birmingham newspapers to the managing editor and analyzed it until he proved that the policy was practically without value, then he presented a statement of the amount of money spent by Birmingham agents during a year in advertising in this particular paper. The newspaper advertising was withdrawn.

Interest in Membership Work

R. P. Devan, chairman of the executive committee, presided over the session of the state officers, which during and following luncheon, resolved itself into a symposium of state association affairs. The outstanding feature of the entire session was the interest displayed in membership work. Practically all of the states were represented, and in almost every case the story was told of membership drives just completed or in process at the present time.

Big Increases Shown

From Texas, where President Fred M. Burton reports a 63 percent increase and New Hampshire, the first state to go over the top with its 54 percent increase reported by President N. H. Varney, on down through Tennessee where Miss Julia Hindman, secretary-treasurer, announced that the membership quota cannot be attained because all the good agents in the state already belong to the association, the reports indicated that interest in membership development is paramount.

Some plans for the annual meeting were laid, but the meeting place and date have not yet been decided definitely. Invitations were received from Minneapolis, Detroit, West Baden and other places.

President Fred M. Burton of the Texas association has been appointed to

GREETINGS TO THE NATIONAL ASSOCIATION

We believe in the AMERICAN AGENCY SYSTEM.

WE HAVE NO DESIRE TO CHANGE IT.

The National wants more Burglary and Plate Glass Agents of "National Association calibre."

Our "Book Policy" for large Burglary schedules is annihilating competition.

Our improved method of Residence Burglary solicitation is profitable to Local Agents.

Our Specialists are available to Agents in closing all large lines.

ARE YOU INTERESTED?

NATIONAL SURETY COMPANY

E. M. Allen
Executive Vice President

115 Broadway

New York City

head the important committee on resolutions, which will report its findings at the final session of the convention.

Committee Men Named

The committee named the following officers and executive committeemen to attend the state association meetings which are scheduled for the near future: Alabama, Michigan and Texas, President W. Eugene Harrington; New York and Pennsylvania, Chairman of the executive Committee R. P. Devan; Florida, Secretary Walter H. Bennett, Nebraska, Frank J. Priest; North Carolina, Charles L. Gandy. Other assignments will be made when the states announce their convention dates.

Bennett on Licenses

Secretary Bennett made a report on the issuance of licenses to secretaries of state bankers' associations to write bankers' blanket bonds. He said that the matter had been referred to the proper committee of the surety association and that the practice practically has been discontinued.

Working on Code

J. A. Giberson, who heads the sub-committee appointed at the last meeting of the executive committee held in New York, to draft a code of ethics for the national association, reported that the committee is not yet ready to present a formal report, but is working on the code, and that it will be ready for the annual meeting next fall.

The standard automobile identification certificate came before the committee, which decided that in view of the unprecedented demand for them, so change should be made, but that the association should continue to supply the membership with the certificate in its present form. The secretary counsel reported that approximately four hundred thousand had been ordered to date.

A suggestion was received from Fred B. Ayer of Cleveland that service of the agents of Canada with respect to the automobile certificates might be of material assistance to assureds of agents in the border states, and the secretary counsel will take up the matter with the Canadian provinces, there being no central association of agents in Canada.

May Organize Nevada

One of the outstanding incidents to come before the committee was the offer of former President H. J. Thielen of the California association to lend his aid in perfecting an association in Nevada. This is one of the few states which has no association of agents at the present time, and Mr. Thielen's offer was accepted gratefully by the committee.

Reports on California

Secretary P. S. W. Ramsden of the California association, at the Monday evening session of the committee, presented a preliminary report of the Bank of Italy situation in California. Mr. Ramsden's brief statement before the committee was of utmost interest, and indicative of the fact that his handling of the subject before the entire convention will be one of the outstanding features.

DAM DISASTER DOES NOT IMPAIR WATER SUPPLY

NEW YORK, March 14.—According to a wire had by the National Board from Robert E. Andrews, its chief engineer upon the Pacific Coast, the St. Francis Dam disaster does not impair the fire protection of Los Angeles. Other reservoirs nearer the city are available to give a full supply of water.

Big Oil Fire

MIDLAND, TEX., March 14.—There was a one-half million dollar fire here last week when five 80,000 barrel tanks of the Magnolia Petroleum Company burned at the Magnolia's tank farm near here. These tanks were formerly written by the Oil Association, but the line was recently taken over by the Atlas.

A SPECIALIZED SERVICE

All Automobile Coverages Under One or Separate Policies
Without Endorsements

Fire
Transportation
Theft
Robbery
Pilferage

Stated Amount
Actual Cash Value
75% Actual Cash
Value
75% Value Clause
Monthly & Auto-
matic Reduction
Clause

Collision

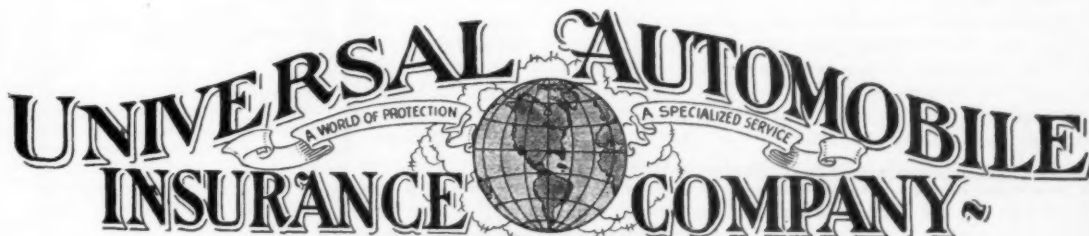
Full Coverage
\$50.00 Deductible
\$100.00 Deductible
50% Retention

Tornado—Cyclone
Windstorm—Hail
Earthquake
Accidental Discharge of Water

Public Liability: Any Limits Property Damage: Any Limits
Plate Glass

INSURANCE ON AUTOMOBILES EXCLUSIVELY

Texas, Oklahoma, Arkansas, Louisiana, Kansas, Colorado, California



DALLAS, TEXAS

SURPLUS TO POLICYHOLDERS DECEMBER 31, 1927 \$510,763.50

**Caledonian
Insurance Co.**

of Scotland

*The Oldest Scottish
Insurance Office*

555 Asylum Street
Hartford, Conn.

Address all Mail to Lock Drawer No. 68

ROBERT R. CLARK
United States Manager
ARTHUR H. F. SCHUMM
Asst. United States Manager

REINSURANCE
FIRE *and* CASUALTY

Rossia Insurance Company
of America

The Fire Reassurance Company
of New York

American Reserve Insurance Company
of New York

Lincoln Fire Insurance Company
of New York

The First Reinsurance Company
of Hartford

115 Broad Street Hartford, Conn.

THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

Published every Thursday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Mgr. GEORGE C. ROEDING and O. E. SCHWARTZ, Asso. Mgrs.

C. M. CARTWRIGHT, Managing Editor
HOWARD J. BURRIDGE, Associate Editor
FRANK A. POST, Associate Editor

PUBLICATION OFFICE, Insurance Exchange, CHICAGO. Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St., Telephone Main 5781, RALPH E. RICHMAN, Manager
E. R. SMITH, Statistician; ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE
80 Maiden Lane, Tel. John 1032
GEORGE A. WATSON, Associate Editor
CHESTER C. NASH JR., Associate Editor

SOUTHEASTERN OFFICE—ATLANTA, GA.
1517 Fourth National Bank Building
W. J. SMITH, Resident Manager

NORTHWESTERN OFFICE—DES MOINES
313 Iowa Nat'l Bank Bldg., Tel. Market 3597
J. M. DEMPSEY, Resident Manager

DETROIT OFFICE

848 Book Building, Tel. Cadillac 0004
O. M. KOENIG, Resident Manager

SAN FRANCISCO OFFICE:

105 Montgomery Street, Tel. Kearny 3399, FRANK W. BLAND, Resident Manager

Entered as Second-Class Matter February 24th, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879

Subscription Price, \$4.00 a year; in Canada, \$5.00 a year. Single Copies 20 cents
In Combination with Life Insurance Edition, \$5.50 a year; Canada \$7.50

Member of

AUDIT BUREAU OF CIRCULATIONS

Associated Business Papers, Inc.

National Publishers Assn., Inc.

Speed in Legislation

In reviewing the work of the Virginia legislature, the Richmond "Times-Dispatch" said in part: "In less than 15 minutes the state senate yesterday dispatched 74 bills which had previously passed the House, thus establishing a record for speed for the senate. Shortly thereafter the upper body enacted five other measures, thus making a total of 79 as a day's work."

In the light of this remarkable statement it is easy to understand how hundreds if not thousands of new laws appear upon the statute books of the various states as well as those of the nation each year, making altogether farcical the old adage that "ignorance of the law excuses no man." Obviously it is impossible for any human being to keep pace with such a legislative output. Equally patent is it that but few of the new statutes can have been properly considered by the legislators prior to their enactment. Many bills are passed

upon the mere reading of title out of compliment to their legislative sponsors and upon the assurance of the latter that the measures "are all right."

Insurance in common with other important lines of business, and perhaps in greater degree, suffers each year from a deluge of legislative bills, requiring constant watchfulness upon the part of underwriters to ward off those of a vicious character; action that unfortunately is, not always successful.

The intelligence of the average Virginia legislator is doubtless as high as that averaging in the governing bodies of other commonwealths of the country. If the senate of the Old Dominion state can dispose of "74 bills within 15 minutes" one cannot but marvel that business institutions are able to function at all. What general business sadly needs is a surcease from further legislation and to be left free to work out its own problems.

Button at the Helm—All Are Glad

THE news that Col. JOSEPH BUTTON, Virginia insurance commissioner, would not be dethroned in his state even though the complexion of the insurance supervisory arrangement in his state has been changed by a recent act of the legislature, was most gratifying. For a time the skies looked squally for "Colonel Joe." At least his friends in distant parts seemed to feel that he might not land on his feet when the explosion ended. However Colonel BUTTON is again at the helm and this is a great relief to the insurance interests at large and the thinking public of his commonwealth. Colonel BUTTON is a veteran in the supervisory ranks.

As secretary and chief mogul of the NATIONAL CONVENTION OF INSURANCE

COMMISSIONERS he is indispensable. He knows more about the organization than any other commissioner because he has been connected with it prominently so long. The secretary is the clearing house of this association. Colonel BUTTON has always been tolerant, sympathetic and yet courageous. The people of his state have had an honest insurance administration. As the secretary of the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS he has been eminently fair. Without "Colonel Joe" the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS would lose its rudder. May he live to continue at the head of the Virginia insurance department for many years. His services are greatly needed.

What a Good Salesman Can Do

Cravens, Dargan & Co., general agents at Houston, Tex., tell about a Texas local agent in a town of about 3,000 people who wrote nearly \$4,000,000 explosion insurance in companies represented by the firm although there had

been no explosion in that vicinity. It simply shows what can be done where an agent is a first class salesman and is able to present his goods in a convincing manner. He always can produce results.

PERSONAL SIDE OF THE BUSINESS

Walton L. Crocker, president of the John Hancock Mutual Life, has now consented to be a candidate for reelection as director of the United States Chamber of Commerce. This announcement is made by the Boston Chamber of Commerce. Mr. Crocker was elected a director in 1926, and has been very active in the United States Chamber since. Mr. Crocker is a regular director from the Boston district.

H. F. Colbrunn of Chicago, assistant manager of the Underwriters Salvage Company, is now stepping high. He joined the Cook County Association of Conglomerated & Concatenated Grandfathers some years ago. Now he has gotten a firm grip on the organization. Last week Mr. Colbrunn had another grandson born to his daughter who lives in Knoxville, Tenn. He now has five grandchildren and he is going strong.

Thomas C. Temple, former vice-president of the Phoenix of Hartford, who was recently married, has sailed with Mrs. Temple for an extended European trip.

James A. Beha, superintendent of insurance of New York, and James J. Hoey of the New York City agency firm of Hoey & Ellison will be among the New York state delegates to the democratic national convention at Houston. Both are loyal supporters of Governor Smith of the Empire state and will put forth their utmost to advance his candidacy for the presidential nomination. Four years ago Mr. Hoey held the Smith supporters in line at the national convention in New York. It was through no fault of his that the Empire state's popular governor failed to get the nomination at that time. Messrs. Beha and Hoey are experienced politicians, the latter having served as a member of the New York assembly for several years prior to becoming deputy superintendent of the insurance department. Subsequently he was a vice-president of the America Fore companies, resigning to enter the agency business. His office now ranks as one of the leaders in premium income in the metropolis.

William E. Stewart, vice-president of the American of Newark, sailed March 13 for Algiers. Leaving there, he will spend some time in Syracuse, Sicily, and then go to Paris, returning home about the middle of May.

Frank R. Thompson, of Chicago, well known insurance broker with offices in the Insurance Exchange, died suddenly Sunday while sitting in the lobby of the Hotel Webster, where he made his home. He was discovered by his daughter. Mr. Thompson made a specialty of difficult lines and built up a very handsome business.

Earl E. Fisk, Green Bay, Wis., prominent in National and state association work, has been on the receiving end of some good-natured banter recently due to a fire in his home which caused a loss of approximately \$1,000. Mr. Fisk had some miniature motion picture films which he had placed on a window sill in his study. The sun's rays ignited them and caused considerable damage to the room, but the blaze was confined to that room. Some old books, original etchings and manuscripts which Mr. Fisk had in the room were destroyed.

Charles E. Macullar, 75, at one time president of the old North American of Boston, and in his day one of the outstanding figures of the Boston insurance world, died last week. After the North American liquidated Mr.

Macullar formed the agency of Partidge & Macullar, which represented the Spring Garden, Exchange Fire of New York, Traders of Chicago, and other companies.

When times changed Mr. Macullar took to the field and gave splendid service in various capacities. He was with Jordan, Lovett & Co., Gilmour, Rothery & Co., and the Boston Board, at his death, having been for some 13 years assistant manager of the Boston stamping office.

He was for many years a member of the New England Insurance Exchange, having joined it in 1886, and in 1903 was made an honorary member.

Edward D. Blake, 77, last surviving charter member of the Boston Fire Underwriters' Union, past president of its successor, the Boston Board, and for 57 years active in Boston insurance circles, died last week.

A native of Boston, Mr. Blake started in business with the Mutual Benefit Fire of New York City in 1870 and two years later started the firm of Sawyer & Blake. In 1890 the firm was dissolved and later Mr. Blake formed the Blake & Taylor firm to which Edward D. Blake & Co. succeeded and continued to the present.

He was president of the Boston Board from 1898 to 1900 and of the Boston Protective Department from 1904 to 1907. The Boston Board, at its meeting last June, made Mr. Blake the only life member of that organization.

H. L. Conn, former superintendent of insurance of Ohio, has announced he will not be a candidate for the Democratic nomination for governor. Judge Conn was a candidate for state supreme judge in the election two years ago. He served as associate justice of the supreme court for a time under appointment from the governor.

Mrs. Jennie A. Rodgers, wife of George B. Rodgers, vice-president of the Union Fire of Buffalo, died at her home there after a long illness.

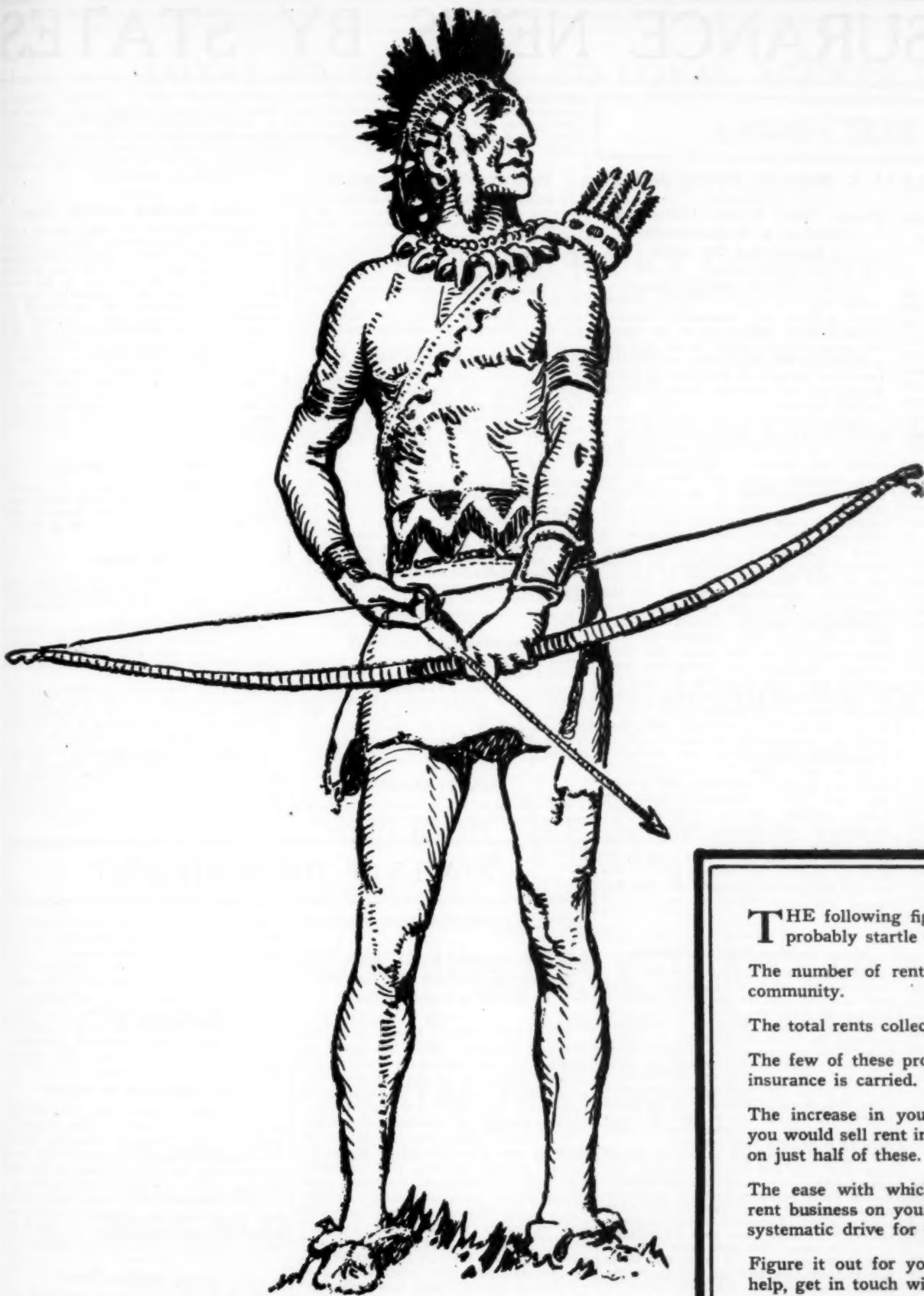
Secretary Walter H. Bennett of the National Association of Insurance Agents, who is attending the mid-year conference at Memphis this week, is laboring under a mental strain, as Mrs. Bennett is quite ill in a hospital at Montclair, N. J., where they reside. Mr. Bennett receives frequent telegrams as to her condition. He felt it necessary to make the trip to Memphis, as he is the only man who knows all the "ins and outs" of the organization.

John Rygel, superintendent of agents of the western department of the Hancock, was the guest of honor at a luncheon given to him by his old associates in the Ohio field at the Deshler Hotel in Columbus last week. Mr. Rygel traveled in Ohio for many years prior to being appointed to his present position in Chicago. He was presented with a wrist watch, a cigarette lighter, and a cigarette case. Those who made the presentation speeches were B. T. Duffy of the Royal, Ralph H. Taylor of the St. Paul Fire & Marine, John R. Cashel of the Providence-Washington and Aaron W. Jones of the New Hampshire.

C. B. Cole, chairman of the board of the Millers National, died at Chester, Ill., Tuesday at the age of 83. Mr. Miller was one of the organizers of the company, which has been in operation since 1876. For a long period to January of last year he was president of the company.

THE GO-GETTOR

An agent addressing a debtor
Remarked in the course of his lecture
That he chose to suppose
A man knowe what he ose
And the sooner he pays it the better.
—C. G. Wonn, Ia.



"AMERICA FORE"

THE following figures and facts would probably startle you:

The number of rented properties in your community.

The total rents collected from them.

The few of these properties on which rent insurance is carried.

The increase in your premium income if you would sell rent insurance on all or even on just half of these.

The ease with which you will get much rent business on your books if you make a systematic drive for it.

Figure it out for yourself, or if you need help, get in touch with the First American special agent who is a rent insurance specialist.

**FIRST AMERICAN
FIRE INSURANCE COMPANY**

EIGHTY MAIDEN LANE, NEW YORK, N. Y.

CHIEF ESTABLISHMENT OF THE STATE

PAUL L. HARRIS, President

CASH CAPITAL — ONE MILLION DOLLARS

NEW YORK CHICAGO MONTREAL DALLAS SAN FRANCISCO

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

WATCHING BUSINESS CLOSELY

West Virginia Field Men Urge Reduction in Mercantile Lines and More Underwriting by Agents

CHARLESTON, W. VA., March 14.—Special agents for fire companies are touring the state on a distinct mission of instructing agents to watch inspections, reduce lines, and give especial attention to moral hazard. With business conditions uncertain and with some new complications evident in the coal industry in this state, it is evident that payrolls will fall off and mercantile trade must suffer accordingly. They preach reduced coverage in mercantile lines and ask for extreme care in underwriting. They tell the agents they want good business and all that can be secured, but it must be based on careful inspections of property and business outlook of every applicant and in every renewal.

Every town of any size in West Virginia at this time has its own distinct problem. In one town a factory has shut down, in another the coal mines are struggling in the aftermath of a miners' union strike, or there is a movement towards consolidation of a large group of operations and in another a lumbering operation is about closing its territory. When towns depend upon one or two payrolls, the situation becomes serious should payrolls be reduced or cease entirely.

New Projects in Some Localities

Meanwhile new projects awaken hopes of better times for some towns, as in Elkins, where the hope is pinned upon the opening of a great coal territory immediately west of the town by a New York syndicate, or in Grafton, where the talk is of the development of iron deposits near by that were worked crudely many years ago. Rural towns look for a great change in the opening of the state highways and a new source of income from a passing tourist trade.

An automobile tour of 500 miles about the hill country of West Virginia will reveal bunches of cattle feeding in the open where a few years ago no cattle could be seen. Feed and grain merchants report a most hopeful outlook for the stock and dairy business and predict a steady gain from year to year. The future material wealth of West Virginia will be found in the rapid development of its live stock, dairying, poultry and fruit growing interests.

Cleveland Agents Banquet

The Cleveland Insurance Board held its annual banquet last Saturday night, talks being given by Charles Milton Newcomb, humorist and professional entertainer, whose subject was "The Great Civilizer." Fred B. Ayer was toastmaster. Director of Commerce Cyrus Locher gave a talk. W. H. Tomlinson of the Ohio association and Fire Chief J. C. Granger were present. The committee in charge consisted of John W. Barrett, chairman; Clayton Hale, Harold Henry, A. S. Hopkinson and R. Earl Mathews.

Plan Summer Outings

The Ohio field clubs have appointed committees to consider plans for their summer outings. One of the places under consideration is Gratiot Inn, Port Huron. The meeting of the field clubs just held were the first since the new balance rule went into effect and it was reported that it is working satisfactorily.

J. C. BOND IS FOUND GUILTY

Former West Virginia Commissioner Convicted of Embezzlement—Jury Out for Two Days

CHARLESTON, W. VA., March 14.—The trial of John C. Bond, former state auditor and insurance commissioner, on an indictment of 54 counts of embezzlement came to an end last week when the jury, after deliberating two days, brought in a verdict of guilty. Arguments on a motion to set aside the verdict followed.

Evidence introduced showed the name of John C. Bond as last endorser on a number of state warrants, and his signature was proven by his private secretary, his chief clerk and others in the department as being in his own handwriting. Mr. Bond did not deny, but repeatedly stated that it may or may not have been signed by him in the instances cited. Thousands of such passed through his office daily and he could not at this late day testify as to any particular signature. Some of the payees of these state warrants were down on the monthly payroll as clerks, but on the stand they declared they had never worked for the state, that their alleged signatures as endorsers were forged, and that they did not get the money indicated by the warrants. Other payees were never located, and nobody in the department knew of such persons or remembered having known of them doing work in the state house.

It is said that the investigations showed a total of something like \$75,000 had been drawn irregularly from the funds available in the state auditor's department in the past four years.

Mr. Bond was sentenced to six years in prison but was allowed a stay of 60 days to prepare the record for an appeal to the supreme court. He was released on bond pending such court hearing.

Slump in West Virginia Business

CHARLESTON, W. VA., March 14.—State agents of fire companies report that the business for February shows a falling off from the record of the same month last year. They further report business in some sections of the state being diverted to mutuals, to reciprocals and to questionable companies and brokers, some of which are not licensed in this state. A few more companies have signed up with the West Virginia Uniformity Association, so that the number of licensed companies outside uniformity is getting very small.

An annoying feature of the fire business just now are the few agents and agencies that have fallen behind in payments, some being behind for as much as six months. Some few agents have tried to stave off trouble by issuing bank checks that have been sent to protest. It would seem that field men are unwilling to cooperate to weed out these few undesirables, but are willing in the intense competition for premiums to take a chance.

Hearing on Lakeside Rates

COLUMBUS, O., March 14.—Two lines of argument developed a few days ago at the hearing by the Ohio insurance department on complaints of excessive and discriminatory fire insurance rates at Lakeside, O. One group contends that the loss from fire in any specified locality during a year should be used to govern the rates in that locality in the ensuing year. The insurance companies contend that the basic rate can only be arrived at by the average loss over a long period of years throughout the nation or at least throughout Ohio. The Ohio Insurance Bureau is to submit

additional data to the department. The hearing may be a link in the general investigation which the department will make of fire insurance rates under the order of the state supreme court.

Plan West Virginia Inspections

CHARLESTON, W. VA., March 14.—Having demonstrated the benefits of an intensive community inspection of fire risks by the recent experimental survey of the business section of Parkersburg, E. P. Douglass, state agent for the Globe and Rutgers, is heading a committee of the West Virginia Association of Fire Underwriters to map out a plan for similar inspection surveys in other cities of West Virginia in coming months.

Clause Is Held Valid

The common pleas court at Cincinnati has held that the clause in a fire policy in which the assured declares he is the owner of the building and real estate in fee simple, is valid. Clarence Kaufman owned a barbecue stand near Newtown, O., and insured it in the Henry Clay Fire. He had a loss and Kaufman sued for \$1,250. The Henry Clay set up the defense that Kaufman had signed the application declaring he owned the real estate in fee simple, whereas it was not owned by him. He insisted that he did not notice the clause. The court held that he was charged with knowledge and the reinsurance did not change the liability of the company. Kaufman had set up the plea that reinsurance had obviated the company's claim.

Ankenbauer in the South

Mr. and Mrs. J. F. Ankenbauer of Cincinnati are spending three weeks in Florida. Mrs. Ankenbauer's health brought the advice from a physician that she should go to the southland. Mr. Ankenbauer will remain for about three weeks, Mrs. Ankenbauer for an indefinite period.

Earls Go Abroad

Mr. and Mrs. W. A. Earls of Cincinnati sailed Tuesday for a two and one-

half months' trip to Europe. Shortly before leaving Cincinnati Mr. Earls had a long conference with John Ankenbauer who made the trip last year. The conference was not about time tables or European sights. It was on the problem of avoiding sea sickness.

Finds Dwelling Business Pays

PARKERSBURG, W. VA., March 14.—Joe Park of Parkersburg, for 32 years in local agency work here, determined many years ago to develop the writing of dwelling house business in his town and vicinity and as a result he has an established business in automatic renewals year after year. In the last eight years he has computed the loss ratio of the companies he represents as about 8 percent on insurance on dwellings. There is an expectancy about big commissions on large lines that induces most agents to seek such business, but in his opinion the sure way to develop a fire insurance agency is in going after dwellings.

Fipp at Hot Springs

A. B. Fipp of Defiance, O., special agent of the Automobile, who had a long siege of tonsillitis has now gone to Hot Springs, Ark., to get restored to health.

Ohio Notes

Fire in the garage of the Schulz baking plant at Cincinnati this week caused a loss of \$75,000. A tenement house also was burned.

Springfield, O., is planning to install a new combined police and fire alarm system. The cost will be \$14,000. Fire underwriters will be asked to approve the plans.

Russel M. Knepper, secretary of the Insurance Society of Columbus, has been elected president of the Columbus Exchange Club. C. A. Wikoff of the Wikoff Insurance Agency is a director.

There has been an increase of 30 percent compared with last year in the number of fires in Columbus, O., between Jan. 1 and March 8. The fire department has appealed to the public to exercise greater caution and to seek by every means possible to prevent fires.

STATES OF THE NORTHWEST

REJECT SUBROGATION WAIVER

Wisconsin Attorney General Holds Form Proposed by Elevator Men Can Not Be Added to Standard Policy

MADISON, WIS., March 14.—The attorney general's office has given an opinion on the subrogation waiver as recently requested by the Terminal Elevator Grain Merchants' Association, in which it is held that such a waiver cannot be added to the standard policy form.

The clause, which the association desired to have incorporated in all fire insurance policies covering elevator buildings and their contents including grain stored in the elevator buildings, reads: "In consideration of the rate at which this policy is written, this company hereby waives all rights which it may have or acquire through payment of loss or damage under this policy to recover the amount paid for such loss or damage from any railroad and/or railway company or companies, anything inconsistent herewith in the policy notwithstanding."

Department Asked for Ruling

The insurance department asked the attorney general's office whether it was within the scope of the authority of the department to waive the conditions in the policy as to such clause, and if so, whether it was discriminatory as against other insurance which may have warehouse property along the railroad right of way.

The attorney general's office referred to that section of the state insurance laws which states that no insurance company

shall issue any fire insurance policy on property in Wisconsin other than such as shall conform in all particulars as to provisions, agreements and conditions with the printed form as filed with the commissioner, and no other or different provision, agreement, condition or clause shall in any manner be made a part of such contract, or be endorsed thereon or delivered therewith except the several specific things there named.

Not Authorized By Statute

The opinion states that "the change proposed to be added to the standard policy by the Terminal Elevator Grain Merchants Association is not of the kind or character described in any of the exceptions which are authorized by the insurance statutes," and hence the insurance department has not the authority to authorize such a clause to be added to the provisions of the standard policy.

School Building Burns

The \$110,000 high school building at Excelsior, Minn., was destroyed by fire last Friday night. Two units of the Hopkins fire fighting equipment and a hook and ladder truck from Minneapolis were dispatched to the scene but they arrived too late.

The schoolhouse fire was the second in a little over a year, the elementary school building having been destroyed in January, 1927. The two-story high school structure was built in 1915.

Fox River Towns Improve Protection

Cities in the Fox river valley in Wisconsin, extending from Fond du Lac as far north as Green Bay, are very much interested in the subject of fire preven-

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President

A. H. HASSINGER, Vice President and Secretary

JOHN KAY, Vice President and Treasurer

WELLS T. BASSETT, Vice President and Secretary

JANUARY 1ST, 1928, STATEMENTS

ORGANIZED 1855 FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$40,000,136.83	\$19,459,279.01	\$7,500,000.00	\$13,040,857.82	\$20,540,857.82

ORGANIZED 1853 THE GIRARD F. & M. INSURANCE COMPANY OF PHILADELPHIA, PA.

\$6,000,966.28	\$2,930,594.84	\$1,000,000.00	\$2,070,371.44	\$3,070,371.44
----------------	----------------	----------------	----------------	----------------

ORGANIZED 1854 MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,828,245.29	\$2,820,808.68	\$600,000.00	\$1,407,436.61	\$2,007,436.61
----------------	----------------	--------------	----------------	----------------

ORGANIZED 1866 NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$4,907,721.63	\$2,557,216.60	\$1,000,000.00	\$1,350,505.03	\$2,350,505.03
----------------	----------------	----------------	----------------	----------------

ORGANIZED 1871 SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,835,369.35	\$2,520,317.56	\$1,000,000.00	\$1,315,051.79	\$2,315,051.79
----------------	----------------	----------------	----------------	----------------

ORGANIZED 1870 CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,250,424.26	\$2,567,447.92	\$1,000,000.00	\$1,682,976.34	\$2,682,976.34
----------------	----------------	----------------	----------------	----------------

ORGANIZED 1886 CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$760,298.04	\$375.00	\$300,000.00	\$459,923.04	\$759,923.04
--------------	----------	--------------	--------------	--------------

TOTAL ASSETS
\$66,583,161.68

TOTAL LIABILITIES
\$32,856,039.61

TOTAL NET PREMIUMS
\$25,684,495.78

WESTERN DEPARTMENT
844 Rush Street
Chicago, Illinois

H. A. CLARK, Manager
Assistant Managers
H. R. M. SMITH
JAMES SMITH JOHN R. COONEY

EASTERN DEPARTMENT
10 Park Place
NEWARK, NEW JERSEY

CANADIAN DEPARTMENT
461-467 Bay Street
TORONTO, CANADA
MASSIE & RENWICK, Limited,
Managers

PACIFIC DEPARTMENT
60 Sansome Street
San Francisco, California
W. W. & E. G. POTTER,
Managers

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

tion and protection since the recent fire at Appleton, which caused a large loss to buildings in the downtown section of that city.

One of the main things being done in that territory is the standardization of hose couplings. Many of the towns and cities have already standardized their hose couplings and Green Bay and De Pere fire departments are ready to do so as soon as they receive the necessary tools. Neenah and Oshkosh, however, are showing opposition to the movement and so far have not consented to the standardization program.

Appleton, Kimberly, Little Chute and Kaukauna, which are within a few miles of each other, are now working out a program for the organization of a combined fire fighting unit, which probably will answer all calls in any of these places. Shawano, to the west of this group, is contemplating improvements in fire protection also.

Zinn Agency Changes

MILWAUKEE, March 14.—The B. F. Zinn Insurance Agency of Milwaukee announces that J. C. Gamroth has been appointed manager of the claim department. Mr. Gamroth has been in the insurance business for a number of years. He succeeds C. W. Booth, formerly secretary-treasurer of the agency, who has become associated with the George H. Russell Co. agency of Milwaukee. Mr. Booth is specializing chiefly on life insurance. The Zinn agency has been appointed general agent for the Independence Indemnity. It is also general agent for the Em-

ployers Indemnity and the Georgia Casualty.

Wisconsin Notes

Frank R. Daniel of Milwaukee, chief engineer of the Wisconsin Inspection Bureau, was the principal speaker at the last session of the Green Bay, Wis., foremen's safety school. He talked on electrical fire hazards to about 300 men, representing the industries of this city.

The Methodist church at Fort Atkinson, Wis., burned recently with a loss estimated between \$50,000 and \$60,000. Only \$30,000 worth of insurance was carried on the building. It was erected 30 years ago. The fire is believed to have been started either from the chimney or from defective wiring.

Frank J. Wolf, insurance agent at Fond du Lac, Wis., and former mayor of that city, who shot himself March 5, died in a hospital there March 8 from the wound. Mr. Wolf was found in a shed near a summer home on Lake Winnebago with a bullet wound in his head, believed to have been self-inflicted. He was removed to a hospital after being found. He had been in ill health prior to the shooting.

Dakota Notes

Arlington, S. D., was inspected by the Fire Prevention Association of South Dakota, March 14.

Damage of \$200,000 resulted from the fire which destroyed the shops of the Rapid City, Black Hills & Western Railroad at Rapid City, S. D.

Walter C. Taylor of La Moure, N. D., has been chosen as candidate for commissioner of insurance for North Dakota on the Independent ticket.

\$5,390,674 in 1926 to \$6,602,161 for the past year. Out state, however, the condition showed a marked improvement with only Kent county, in which Grand Rapids is located, showing more than \$500,000. Allegan county, one of the less populous counties, had one of the worst fire records in 1927 due to two disastrous resort blazes at Macatawa Beach near Holland. Its estimated loss reached \$417,200.

Active in Prevention Work

A report by C. S. Steup of the bureau of fire prevention of the Fort Wayne, Ind., fire department shows that of the 119 buildings inspected in February defects were found in 76, about one-third of the defects being due to rubbish on the premises. In addition to his inspection activities, Mr. Steup is carrying on an education campaign by means of addresses before civic clubs and in noon-hour talks to groups of industrial employes, emphasizing in every instance the importance of fire prevention. This for the reason, he points out, that the fire loss of Fort Wayne, which averaged \$3.52 per capita for the last five years, would be reduced to about 40 cents per capita, after deducting the loss due to fires that can be classed as preventable.

Will Supply Resorters Water

BAY CITY, MICH., March 14.—The Saginaw Bay resort district near the Kawkawlin river is to be supplied with water by the Bay City plant, according to plans announced this week. Through extension of the mains, fire protection, which has been sorely needed in the district, will be supplied, fire hydrants being paid for by the cottagers at a rate of \$60 per hydrant per year. Fires have destroyed summer homes in the vicinity on several occasions in the past.

Illinois Regional Meetings

H. J. Leach of Morris, Ill., has announced a number of regional meetings to be held in the state. Mr. Leach is chairman of the organization committee of the Illinois Association of Insurance Agents. The evening dinner and meeting will be held at Rockford, March 19. The next meeting will be at noon on the 20th at Dixon, with H. E. Semmelf in charge. The next meeting will be the 21st at night at Moline with the local board in charge. The meeting at Galesburg will be at noon, March 22, with A. O. Lindstrum presiding. The Peoria meeting will be on the evening of March 23, with L. A. Howes in charge. There will be a regional meeting at Aurora, March 27, Vice-President Al. Teninga of the Illinois Association and George N. Wright in charge. The meeting at Springfield will be April 4, in the afternoon and evening, with R. W. Troxell and A. E. Keyes in charge. The meeting will be scheduled for Champaign later on.

Will Inspect East St. Louis

The Illinois State Fire Prevention Association is planning a two-day intensive education and inspection campaign in East St. Louis, March 28-29. J. Elmer Ball of the Missouri State Fire Prevention Association, will make the principal address at the meeting.

Announce Meeting Date

INDIANAPOLIS, March 14.—At the monthly meeting of the Fire Underwriters Association of Indiana Monday it was decided to hold the mid-summer meeting on June 19-20. The place of meeting was left to the committee on arrangements which includes Homer G. Meek, the president; O. E. Green, M. O. Jones and A. B. Whittemore.

Addressee Fire Agents

Fred King, attorney in the office of the state fire marshal, addressed the Indianapolis Fire Insurance Agents Association on Tuesday of this week on "Prosecution of Arson Cases."

Illinois Notes

The agency of the late L. J. Blary of Westville, Ill., is now being conducted by his two sons under the name of L. J. Blary & Sons.

Phillip A. Brosseau, who was formerly in the local business at Decatur, Ill., and Kankakee, is now associated with Harold P. Gardner at Bloomington, Ill., doing some field work.

The Swofford building, Benton, Ill.,

housing the H. & M. clothing store and Burkhardt's shoe store, was destroyed by fire last week. The total loss was estimated at \$80,000.

Fire last week destroyed the Evangelical Lutheran Church and adjoining parsonage at Polo, Ill. Total loss \$100,000. Sparks from a chimney are believed to have caused the fire.

Carl Spillers and his sister, Zola Spillers, have opened a general insurance agency at Adel, Iowa. The former will take care of the outside work while Miss Spillers takes care of the office work.

A fire which started in the Lyric motion picture theatre, Mounds, Ill., spread to two adjoining structures occupied by a poolroom and confectionery and did \$35,000 damage. Fire apparatus from Calro and Mound City helped fight the fire.

Fire which attacked the first two floors of the Hardinge Brothers' oil heater manufactory in Chicago caused a loss estimated at \$20,000. According to a statement made by an official of the company, flames suddenly burst from an oil heater that was undergoing a test and rapidly spread to the two floors which suffered damage.

Fire last week destroyed the Peotone grade and high school building with a loss of \$125,000. A new addition to the school, containing a large gymnasium and science room, had not been turned over to the school board by G. A. Thorne, Gilman, Ill., contractor, who may bear a portion of the loss. The addition, which cost \$65,000 was insured for \$35,000 by the contractor and the board carried equal amount on its old building.

Indiana Notes

James H. Anglin has bought the Shirley & Anglin agency at Warsaw, Ind.

The name of the Hartley Agency at Muncie, Ind., has been changed to the Norton Agency, Inc.

B. J. Gilmore, formerly a field man in Indiana but now conducting a local agency in Indianapolis, is in the hospital for an operation which he expects to undergo some time this week.

The George C. Taylor Insurance Agency at New Harmony, Ind., founded a number of years ago by George C. Taylor, who died recently at his home in New Harmony, has been purchased by Fritz Long. This is one of the large agencies in southwestern Indiana and handles every form of insurance.

Michigan Notes

Muskegon's city commission has approved a plan to electrify the local water works pumping station completely through expenditure of \$50,000 during the year.

Olivet, Mich., which was the scene of a \$100,000 fire less than a fortnight ago when Parsons hall on the campus of Olivet college burned, has inadequate fire protection and should make a number of improvements in its protection system, according to a number of leading Michigan fire preventionists who attended an informal meeting during the past week at the town hall when the local situation was thoroughly discussed.

A \$30,000 fire loss was sustained at Sault Ste. Marie during the past week when the Cook block, a three-story structure in the downtown district, was destroyed. Extreme cold hampered the fire-fighting efforts, the mercury standing at 13 degrees below zero at the time of the blaze. The flames are said to have originated in the basement of the building and they spread so quickly that several tenants of the upper floors were forced to flee in their night clothing. A pool room and soft drink emporium occupied the street floor of the structure.

A loss which undoubtedly mounted into several thousands of dollars, but which the proprietors would not estimate pending the insurance adjustment, was sustained at Ann Arbor during the past week when the basement and first floor of Goldman Brothers' building on South State street near the University of Michigan campus were destroyed in an early morning blaze. The fire is thought to have started in the basement, but its origin was not determined. The firm did a large cleaning and pressing business for students and a good share of the loss was made up of the garments of customers. This portion of the loss, however, was fully covered by insurance, it was said. Fire walls prevented the flames from reaching the section of the building where cleaning fluids were stored.

Mutual Offers "Moderate Commission"

NEW YORK, March 14.—One of the long established mutual liability companies of this city is circulating brokers offering "a moderate commission" for business.

CENTRAL WESTERN STATES

QUINCY, ILL., BOARD ELECTS

Gerry Bartelt Made President—Organization Plans to Eliminate Brokerage Evils

The Quincy, Ill., Board has just had its annual meeting and has elected Gerry Bartelt of Vasen & Bartelt, president; A. J. Scholz, of Cruttenden & Scholz, vice-president; V. G. Musselman, secretary-treasurer. These officers form the executive committee with the addition of J. B. McCrory, of Bonfoey-McCrory; McCullough Winters of J. M. Winters & Sons; C. H. Cottrell; Frank Miller of Miller, Castle & Freiburg; and T. M. Koelsch of Robbins & Koelsch.

Campaign Against Abuses Starts

The Board has inaugurated a campaign to eliminate brokerage abuses which have been prevalent in Quincy for years. It has also started a plan of insurance board advertising, stressing the value of buying insurance from responsible agencies. The Quincy retail merchants for years have maintained a highly efficient credit bureau, in which are listed all persons who are "slow pay" or of the "deadbeat" class. The Quincy board is making arrangements to affiliate with this credit bureau for a transfer of information for mutual protection.

The Quincy agencies are getting behind the newly organized board with much enthusiasm.

Lansing Agency Celebrates

LANSING, MICH., March 14.—Dyer-Jenison-Barry agency here celebrated its 30th anniversary during the past week with the traditional banquet for the entire agency organization. The observance was the first to be held in the agency's new home, a commodious building in the heart of the downtown section and located on the exact spot where O. A. Jenison, president, was born. Mr. Jenison gave a talk describing the neighborhood as he recalled it and J. P. Edmonds, a veteran local business man, gave an illustrated lecture on old-time Lansing. George Goodell, who founded the Lansing Insurance agency which was merged with Dyer-Jenison-Barry many years ago, spoke on "Insurance as a Profession." Austin Jenison acted as toastmaster. About 40 were present for the affair.

PREVENTION WORK PLANNED

Quincy, Ill., Underwriters Cooperating with Commerce Body, Fire Department on Safety

The Quincy, Ill., Board of Fire Underwriters has just combined forces with the Quincy Association of Commerce and the Quincy fire department in organizing a five-year program of Safety First, First Aid, and Fire Prevention.

It is proposed that safety teams and first aid teams be organized in all the industries in Quincy, these teams to be composed of workmen; first aid teams, under Red Cross supervision, to be organized in all public schools; and a fire prevention committee to be organized in each industrial organization.

A state board inspection has been requested for May 23-24. At this time the inspectors and citizens, together with Boy Scout representatives, will cover the entire town, making reports on conditions as found together with suggestions for remedying defects. This will be tied up with a paint-up and clean-up campaign. It should result in improved conditions in Quincy.

Chief Makes Inspection

As shown by the report of Chief Horace W. Carey, the division of fire prevention of the Indianapolis fire department inspected 2,893 dwellings and places of business last month, of which 1,872 were inside the city limits and 1,021 outside. In all, 907 defects were discovered, of which 386 were due to carelessness in the storage of gasoline and oils, and 152 because of the accumulation of rubbish of various kinds on the premises.

Decrease in Michigan Losses

LANSING, MICH., March 14.—Preliminary figures of the state fire marshal indicate that Michigan experienced another reduction in its total fire loss during 1927. While the present statistical showing does not include the losses of mutuals, the total is much lower than for 1926 on the basis of the same reports, being \$14,386,452. The mutuals' losses are most unlikely to exceed \$2,000,000, so the total loss would be less than \$16,000,000, as compared with \$17,538,503 for 1926. The 1925 total loss was \$19,664,324.

The Wayne county loss climbed from



Globe & Rutgers

FIRE INSURANCE COMPANY



111 William St., New York City

JANUARY 1st, 1928

ASSETS		LIABILITIES	
Bonds and Mortgages.....	\$ 149,834.90	Capital	\$ 3,500,000.00
U. S. Liberty Bonds.....	519,200.00	Surplus	29,514,599.03
Government, City, Railroad and other Bonds and Stocks.....	67,965,477.50	Reinsurance Reserve	21,794,727.64
Cash in Banks and Office.....	3,052,132.11	Losses in Course of Adjustment.....	9,905,412.00
Premiums in Course of Collection	8,309,190.10	Commissions and other Items.....	6,974,000.00
Interest Accrued	143,939.12	Reserve for Taxes and Deprecia- tion	8,505,000.00
Reinsurance Recoverable on Paid Losses	53,964.94		
	<u>\$80,193,738.67</u>		<u>\$80,193,738.67</u>

Surplus to Policy Holders . . . \$33,014,599.03

Losses settled and paid since organization over \$225,000,000 Losses settled and paid 1927 .. \$21,409,822.82

ISSUES POLICIES AGAINST

Fire, Marine, Tornado, Earthquake, Flood, Hail, Explosion, Riot and Civil Commotion,
Sprinkler Leakage, Inland Marine Transportation, Parcel Post, Automobile

Agents in Canada, Manila, Shanghai, London and Principal European Cities

E. C. Jameson, President

Lyman Candee, Vice-President
W. H. Paulison, Vice-President
J. H. Mulvehill, Vice-Pres. and Secy.
J. D. Lester, Vice-President

A. H. Witthohn, Secretary
A. G. Cassin, Assistant Secretary
J. L. Hahn, Assistant Secretary
M. J. Volkmann, Local Secretary

Progress since Consolidation in 1899

	Assets	Reserves	Surplus
Dec. 31, 1899	\$529,282.59	\$28,832.54	\$2,028.94
Dec. 31, 1910	5,255,362.12	1,936,224.86	2,365,363.37
Dec. 31, 1920	42,765,374.55	16,593,764.16	11,361,311.89
Dec. 31, 1925	67,922,096.58	20,265,572.73	24,161,943.85
Dec. 31, 1927	80,193,738.67	21,794,727.64	29,514,599.03

HANOVER

Be Prepared

Prepare your clients now—the most disastrous Tornado and Windstorm months of the year are at hand.

Established is your reputation as THE INSURANCE MAN — after a tornado or windstorm tears its damaging way through your community and your clients find themselves completely covered with Windstorm insurance. And remember — a Tornado does a rather thorough job of it—nothing but complete coverage is adequate.

FIRE INSURANCE CO.

NEW YORK

MILWAUKEE MECHANICS'

FIRE
MARINE
TORNADO
AUTOMOBILE
EXPLOSION
SPRINKLER
LEAKAGE
RENTS
USE and
OCCUPANCY
RIOT and CIVIL
COMOTION

INSURANCE COMPANY

Milwaukee
Wisconsin

*Time-Tempered, Strength,
Security and Service*

IN THE MISSOURI VALLEY

BEGIN WORK ON REFUNDING

Will Issue About 70,000 Checks — State Acts to Stop Deduction from Taxes

TOPEKA, KAN., March 14. — Commissioner Baker began the work this week on the refunding of the tornado premiums involved in the tornado rate litigation.

The Shawnee county district court issued the order directing the payment of the impounded premiums and authorizing the commissioner to use the \$5,400 of interest collected on the premiums to pay the expense of the distribution. There will be approximately 70,000 checks issued, varying from one cent to \$112.

State Files Demurrer

The state has filed a demurrer to the suits brought by the companies to permit them to deduct the premium taxes on the impounded premiums from their payments being made by the companies this year and it is expected that the district court will hear this demurrer late this week. The demurrer is on the usual legal forms and aside from a single point is a perfunctory movement to raise the law questions involved. The state points out that the law prohibits money being taken out of the state treasury except by direct appropriation. It claims that the method of deducting the taxes on the tornado premiums impounded is the same as getting money from the state treasury without an appropriation. This is the real point in the lawsuit. The demurrer will determine this question. The state insists that the companies should file their claims with the next session of the legislature to collect the money.

FEDERAL HEARING CONTINUED

Judge Merrill Otis, Who with Two Other Jurists Was to Have Heard Case, Made Witness

Kansas City, Mo., March 14.—The federal court hearing on the renewed efforts of fire companies to prevent the enforcement of a 10 percent rate reduction in the state was continued indefinitely here on March 10 because Judge Merrill Otis, one of the three judges who were to have heard the case, will be called by the state as a witness.

During some of the early litigation regarding the rate reduction Judge Otis was an assistant attorney-general of Missouri. Floyd E. Jacobs, special attorney for the insurance department, said Judge Otis would be used as a witness in an effort to prove the companies violated an agreement in filing the injunction suits and in attacking the constitutionality of the insurance rating act. The agreement was said to have been that if a rate reduction were ordered the companies would continue to collect the old rates pending a ruling by the Supreme Court of the United States. If the order were upheld by the supreme court the companies were to refund collections in excess of the reduced rate and were not to file injunction suits or attack the constitutionality of the state rating act, according to Mr. Jacobs.

Wentworth Terry Dies

Wentworth Terry, an insurance agent of St. Louis, died at his home at Richmond Heights, Mo., on March 8 from a complication of diseases. He was 68 years old and had been in the insurance business for 27 years. He was active until last Christmas when illness forced him to remain at home.

Mr. Terry was born in St. Louis and received a legal degree from Washington University. He practiced law for some years, but was forced to give it up because the work was too confining. He then turned to insurance and represented the Travelers.

PLAN KANSAS INSURANCE DAY

Many Prominent Men on Committee Which Will Have Charge of Meeting on May 1

Plans for Kansas Insurance Day, scheduled for May 1 at Wichita, which is being sponsored by the Kansas Association of Insurance Agents, are rapidly gaining form. Another committee meeting is being held this week in Wichita at the call of Bert Mitchner, Hutchinson agent and chairman. Representatives on the general committee have been chosen from the many insurance interests in the state and include: Frank Jacobshagen, secretary of the Farmers & Bankers Life, Wichita; Roy Eblen, president of the Central States Fire, Wichita; W. C. Hodges, manager of the Kansas Inspection Bureau, Topeka; Fire Chief H. H. McCall, Wichita; H. A. Braunagel, manager of the southwestern department of the Millers Mutual, Wichita; Roy Preston with Dulaney, Johnson, Yankee & Priest agency, Wichita; Clayton Mammel of the Farmers & Bankers Fire, Wichita; H. O. McIntosh, Kansas state agent for the Hanover Fire, Topeka; P. A. Ellis, of Ellis & Stamm agency, Pittsburg, and Bert E. Mitchner, manager of Wheeler, Kelly & Hagney office at Hutchinson. Speakers of national prominence are to be obtained for Kansas Insurance Day in order to attract a large attendance from over the entire state. The tentative date of May 1 as set for will probably be definitely adopted at the committee meeting this week.

WILL RESIGN ROYAL, REPORT

R. B. Jones & Sons Said to Be Ready to Relinquish Connection to Reduce Expense

Kansas City, Mo., March 14.—It is reported here that R. B. Jones & Sons has resigned the Royal Insurance Company, which it is said is the first step of this agency toward reducing cost in handling fire insurance, finding that business can be brokered and more money can be made. It is said that this is the first of several resignations that will be effected by the agency and that the Royal was one of the first to be resigned because it had such a large volume.

This appears to be the first tangible result in this city of the analytical survey showing costs of various classes of insurance written by the local agents as revealed by the efforts of President Harrington in behalf of the members of the state association. The Jones agency admits that it is going to reorganize the entire plant, on the theory that it cannot handle such a large volume of fire premiums on a basis which is not profitable.

Change in Asheville Agency

The Consolidated Insurance agency, Asheville, N. C., has been purchased by R. Stanford Webb and William B. Miller and the new name of R. Stanford Webb Company has been taken, with Mr. Webb manager. Mr. Webb has been engaged in the insurance business in Asheville for eight years. Mr. Miller has been connected with the Westchester Fire as special agent. He will move to Asheville on April 1. John W. Wheeler, who has been with the Consolidated agency, will remain under the new management. J. D. Pool is secretary of the new company.

Would Improve Lincoln Protection

LINCOLN, NEB., March 14.—The city council will submit at the coming election a proposal to erect a \$375,000 mun-

capital building, which will house the fire, police and health departments, and also a proposal to increase the limit of annual cost of city government from \$500,000 to \$750,000 a year.

A committee investigating the fire department finds that Lincoln is lagging behind other cities in the number of pieces of apparatus, number of fire stations, alarm box system and pension system. An up-to-date headquarters building is stressed, the former station having been abandoned as dangerous and the offices and apparatus moved to rented quarters. A new station in southeast Lincoln, with full equipment, is recommended. Appended is a report of the National Board, which suggests this southeast station, as well as more adequate stations replacing the present ones, additional equipment and personnel and an adequate alarm system, which recommendations the committee adopts.

Wellston Seeks Better Protection

John Brod, director of public safety of St. Louis, was the principal speaker at a fire protection meeting held at Wellston, Mo., for the purpose of discussing ways and means for securing better fire protection facilities for Wellston and vicinity.

The St. Louis fire department does not respond to all fire calls from St. Louis county, but only aids those property owners who have guaranteed to refund the city the cost of dispatching fire equipment outside the city limits. This rule, however, does not include such public and quasi-public institutions as hospitals, orphanages, schools and the like. The city does not withhold aid when a conflagration is threatened.

Fire Prevention Committee Named

Fire prevention has become an important part of the work of the Hannibal, Mo., chamber of commerce with the establishment of a committee on fire insurance and fire prevention. The personnel of the committee is as follows:

Robert M. Clayton of George B. Clayton & Sons insurance agency, chairman; W. D. Sanders, manager of the north-east Missouri branch of the Missouri Inspection Bureau; Joseph C. Raible, Jr., insurance department, American Trust Company; Don Barker, garage proprietor; Leo N. Rupp, plumbing supply dealer; M. Bloom, retail merchant; D. C. Mulvihill, car wheel manufacturer; John G. Jeffries, newspaper reporter; T. C. Robinson, contractor.

The personnel of the committee was varied for the purpose of making it completely representative of the community's interests.

Restricts "Town Lot" Drilling

Of considerable importance to towns threatened with "town lot" oil drilling resulting in an immense increase in fire hazard was the decision handed down in Kansas City last week by Judge McDermott of the federal court, in which he held constitutional the city ordinance of Oxford, Kan., which restricted oil drilling to one to the city block. Operators who have violated the city's ordinance will be prosecuted and fined not less than \$100 per day that they have been "without" the law, and such litigation will net the city between \$60,000 and \$80,000 unless an appeal is taken to the United States Supreme Court. A temporary injunction has been in force against the city to prevent it interfering with operators drilling more than one well to the block.

Miller Is Honored

Will J. Miller of the Miller-Studebaker general agency at Topeka was elected president of the Kansas Livestock Association last week at their annual meeting in Wichita. Mr. Miller and his cousin, Clyde Miller of Topeka, president of the Preferred Risk Fire have long been interested in the cattle business.

Marshal Makes Inspection

DES MOINES, IA., March 14—Following the disastrous Harrington apartment fire here recently in which the building and contents were a complete loss and one tenant lost his life as a result of smoke and falling timbers, City Fire Marshal Charles S. Barker made a thorough inspection of 38 apartment buildings. He reported many possibilities of improvements in prevention, naming faulty electrical wiring as the major fire hazard discovered in 15 of them. Floor lamps, cheap appliances, wires under rugs, poorly insulated wires



Reliable

EUREKA-SECURITY

FIRE & MARINE INSURANCE CO. of Cincinnati, Ohio

Known also as THE CINCINNATI UNDERWRITERS

GOOD
AGENTS
WANTED

ORIENT INSURANCE COMPANY of HARTFORD, CONN.

HENRY W. GRAY - President
HARTFORD, CONN.

CHARLES E. DOX, Manager
WESTERN DEPARTMENT

223 W. Jackson Blvd.
Chicago, Illinois

GEORGE O. SMITH - Manager
SAN FRANCISCO

FIRE REINSURANCE TREATIES

Eagle Fire Insurance Company
(NEW JERSEY)

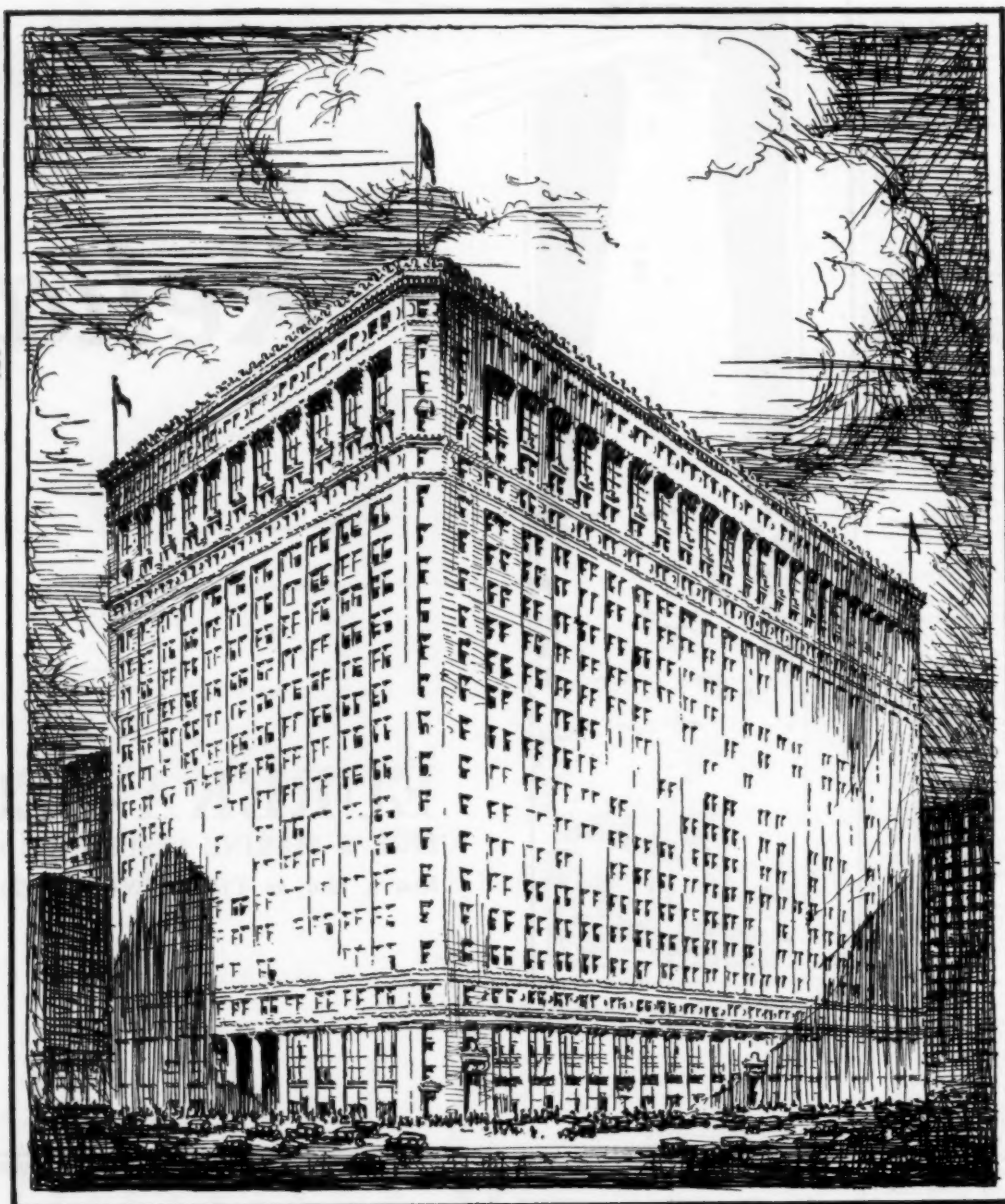
Baltica Insurance Co., Ltd.
(DENMARK)

Franklin W. Fort - Thomas B. Donaldson
18 WASHINGTON PLACE, NEWARK, N. J.

DETROIT NATIONAL FIRE Insurance Company

231-233 John R. Street, DETROIT, MICHIGAN
GEO. K. MARCH, President and Gen. Mgr. WYNN C. GEROW, Secretary
JAS. M. TEAHEN, Treasurer M. E. BLACK, Assistant Secretary
ROBERT R. BUCKNELL, Assistant Secretary

Greater INSURANCE EXCHANGE



JACKSON, SHERMAN, WELLS and VAN BUREN STREETS

Chicago's Largest Office Building — One Entire City Block

Conveniently located in a choice Loop section adjacent to the financial and wholesale districts where every form of transportation is easily accessible, the Greater Insurance Exchange offers one of the choicest of Loop business locations. When its new unit, Insurance Exchange South, facing Van Buren Street, is completed this building will be Chicago's largest office building — the third largest office structure in the world.

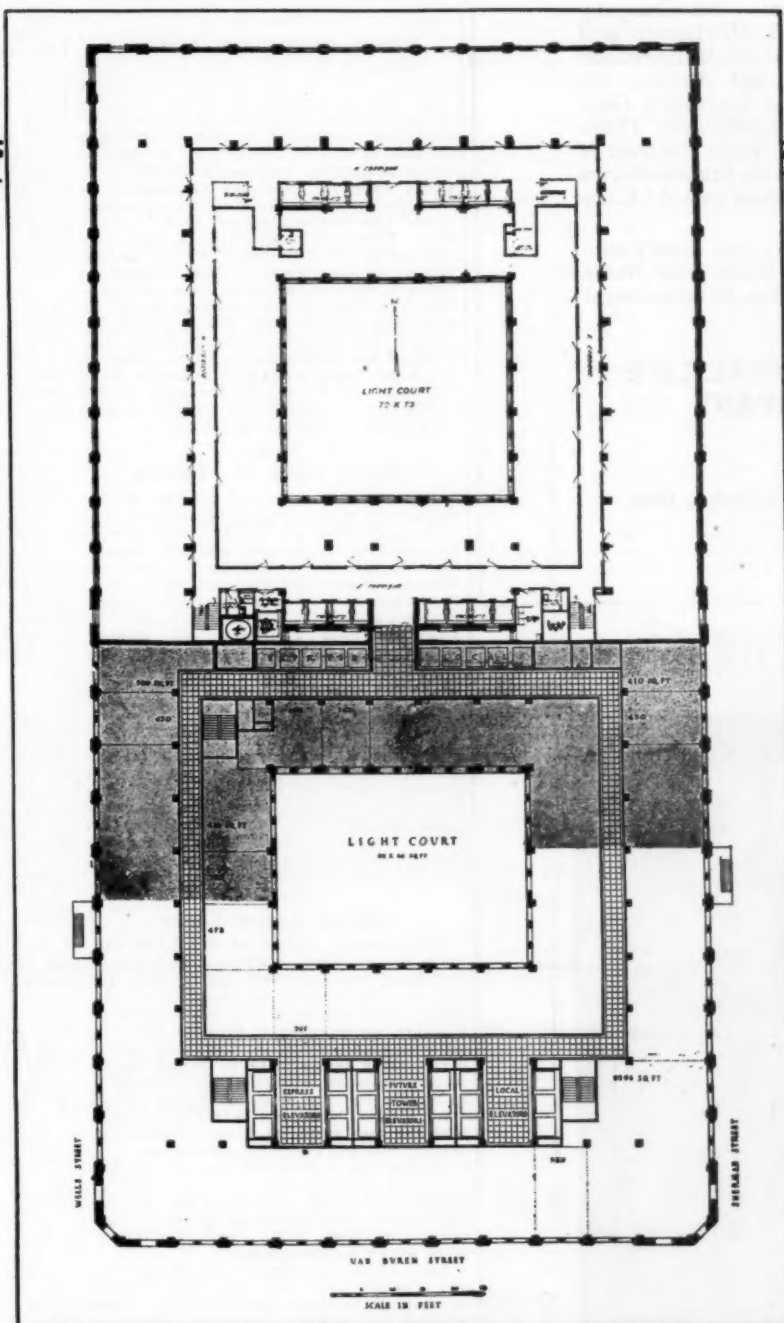
Greater INSURANCE EXCHANGE

Typical Floor Plan

Combining newly constructed Insurance Exchange South and present Insurance Exchange Building. Covers one entire city block. Height 21 stories. Rentable area 1,118,000 square feet. Space units range from single offices of 357 square feet to an entire floor of 28,200 square feet.

Construction of Building

GREATER INSURANCE EXCHANGE is of modern steel construction, surfaced with white glazed terra cotta and white enameled brick. Halls throughout are lined with marble and the woodwork is finished in mahogany. Maximum light and cross ventilation are provided as well as greatest efficiency in space layout. Thirty-eight high-speed electric elevators.



Dates of Completion

INSURANCE EXCHANGE SOUTH is being completed in two sections. The south section, fronting on Van Buren Street, is ready for immediate occupancy. The Central section, connecting the present Insurance Exchange Building, will be available for occupancy November 1st, 1928. Leases are now being made for all portions of the building. Space now open for inspection.

For floor plans and further information apply to

E. W. RINDER

Building Manager, Insurance Exchange Building

Room 808, 175 W. Jackson Boulevard

Telephone Wabash 0756

Add to Your Profits from Fire and Casualty by Taking on a Splendid Life Line

THE Largest Mixed Insurance Company in the World recently Established a Life Department. There is a Pronounced Trend in that Direction. Agencies are adding Life to Fire, Casualty, Surety, etc. You, too, may Enlarge your Profits without Increasing Fixed Costs.

The most Satisfactory Life Contract Available is that of the Columbus Mutual—the Company which 20 years ago Eliminated Middlemen and Diverted the Huge Expense of their Maintenance into Savings for Policyholders and Agents. Its System makes possible Low Cost Insurance, Generous Commissions, and VESTED Renewals. There are No Restrictions in Territory. Each Contract is a Direct Home Office Contract—no Intermediaries between. The Agency that Produces gets ALL the Commissions.

Send today for this Distinctive and highly successful Company's Proposition. Write your Name and Address on the Margin of this Advertisement and Forward.

THE COLUMBUS MUTUAL LIFE INSURANCE COMPANY

C. W. Brandon, Pres.



Columbus, Ohio

OHIO FARMERS

80th Anniversary
Automobile and Fire Insurance

and "slugged" fuses were prevalent. Many of the buildings, of course, do not meet the requirements of the new Des Moines building code, but they can't be eliminated, since the new law is not retroactive and applies only to new buildings.

Swisher Sells Agency

S. A. Swisher, who has been in the local agency business in Iowa City, Ia., for 50 years, having conducted his agency since 1879, has sold his agency to Sam T. Morrison. The business will be conducted under the name of S. T. Morrison & Co. The Morrison agency was started in 1908. The companies involved in the transfer are the Aetna Fire, Connecticut, Hartford Fire; North America; Liverpool & London & Globe; Union of England; Hartford Steam Boiler and Maryland Casualty.

Restrict Sending Out Apparatus

DES MOINES, March 14—Agitation to prevent town and city fire companies from taking equipment to the country to extinguish fires and thus leave inadequate protection at home reached a climax in the district court at Algona when a decision was rendered which in effect relieves insurance companies of any responsibility for loss if such occurs while the fire equipment is not available. This particular decision, it is said, sustained the contention of a mutual whose policies declare that obligations cease if fire companies are not available. The standard fire policies contain no such reservations, but the principle involved in the decision rendered has aroused the entire state and in hundreds of cases town and city councils have forbidden assistance on the part of fire companies in responding to fire alarms outside of the corporate limits.

Central States Fire Meeting

The annual gathering of field representatives of the Central States Fire was held in Wichita last week. Over 30 representatives, including general agents, state agents and special agents covering Illinois, Missouri, Oklahoma, Minnesota, Nebraska, Iowa, South Dakota, Colorado, Wyoming and Kansas were present. The meetings held Thursday and Friday, closed with a banquet Friday night. Roy Eblen, president, was in charge of the gathering.

Agents and Brokers Meet

A dinner and business meeting for the Associated Fire Insurance Agents and Brokers of St. Louis, Mo., of which Louis F. Yeckel of Yeckel, Earickson and Company is president, was held March 13. J. H. Belden, resident manager for the Fidelity & Casualty, spoke on "Automobile Liability Insurance."

Reports Kansas Losses

The monthly report of W. A. Elstun, state fire marshal of Kansas, shows that February was another bad month for Kansas, the fire losses reported to the department reaching the high total of \$722,791, an increase of \$406,643 over the corresponding month of 1927 and an increase over January, 1928. Several large losses scattered over the state were responsible for the large increase. Sedgwick county, including Wichita, reported \$266,277 loss from 33 fires. McPherson county lost \$66,475 from eight fires.

Sparks on roof were given as the cause of 140 fires for a total loss of \$35,000. Defective chimneys cost \$57,000 and stoves and furnaces \$25,000. Exposure, rubbish, litter and electricity were other major causes.

There were 27 store losses for a total of \$396,380 and 247 dwelling losses amounting to more than \$100,000. Two schools and colleges and three theaters and moving picture houses suffered losses of \$38,425 and \$56,017 respectively.

Slight Loss Decrease Shown

KANSAS CITY, MO., March 14.—Fire losses in Kansas City in February were \$166,464, as compared with \$200,355 for the month of January and \$171,851 for February of last year. Fire losses in February, 1925, were \$849,576 and for February, 1923, \$741,123. The total for 1928 to March 1 is \$366,819, against \$373,008 for the same period of 1927. The total number of fires increased materially over January, due to a large number of grass and brush fires. There were

395 fires in February, against 296 in January.

Kansas Notes

J. C. Kelly of Wheeler, Kelly, Hagney Trust Co., Wichita, has returned from a combined business and pleasure trip to the gulf. He was in New Orleans to attend the Mardi Gras.

H. G. Hix, engineer with the Frates Agency, Tulsa, Okla., and former engineer for the Hartford with headquarters at Wichita, Kan., spent several days last week in southern Kansas on business.

Mankato, Kan., had a bad fire Feb. 28 which completely burned the Ayres Furniture Store with a loss of \$25,000 and the Oliphant-Fletcher Clothing Store in an adjoining building was damaged to the extent of \$7,500.

Cuba, Kansas, in the north central part of the state, suffered a fire loss estimated from \$15,000 to \$20,000 last Sunday when the Cuba opera house was completely destroyed. Only \$3,500 insurance was carried on the building.

Col. Sam R. Woollard, Kansas and Colorado state agent for the American Central, announces that his aged mother with whom he lives when in Wichita is convalescent from a recent sickness. Mrs. Woollard is 87 years old but has two sisters living who are even older, one being 90 and the other 95.

Ed Dramer, for several years special agent for the farm department of the Connecticut with headquarters at Wichita has been pensioned and is now devoting his time to independent adjusting, making his headquarters with the Central States at Wichita. A son, Seymour Dramer, conducts an agency at Dodge City.

Kansas representatives to the mid-year gathering of the National Association of Insurance Agents at Memphis this week were C. G. Bleakley, Jr., President of the Kansas association; Frank T. Priest of Wichita, chairman of the executive committee of the Kansas association and member of the executive committee of the National association, and J. L. Taylor, local agent at Chanute.

H. D. Baker, Wichita agent and founder of the Baker Abstract Co., at Anthony, Kan., which also conducts a local agency business, received a fine tribute from one of the Wichita newspapers on a recent Sunday when it devoted a whole page to a history of his life with appropriate illustrations, showing his various vocations from farm hand to school teacher, lawyer, banker, abstract, building and loan and insurance. Mr. Baker is a very popular member of the Wichita Board and every year entertains the members with a stag picnic at his country home.

Nebraska Notes

Valentine and Neligh, Neb., are making plans for the betterment of their water supply for fire fighting protection. These are but two of a number of towns in the state that have consulted engineers for advice along these lines.

The south portion of the business section of Wilsonville, Neb., burned last week, entailing a loss of approximately \$85,000. The buildings burned are the Home State Bank, Dryden pharmacy, W. H. Thompson, general store; Cline hardware store and the telephone office. The origin of the blaze is unknown.

A fire loss of \$7,500, largely covered by insurance, was sustained in a night blaze that destroyed the greater part of the equipment of the Graham tire shop and the Battery Service Station, and the building in which they were located at 1929 O street, Lincoln, Neb. The building, owned by Rees Wilkinson, and fully insured, represented \$5,000 of the loss.

Missouri Notes

Frederick H. Skeele, of the insurance department of the Missouri Pacific railroad for 41 years prior to his retirement on Jan. 1, 1928, died at the home of a daughter in St. Louis, Mo., March 7. Influenza caused his death.

Firebugs are suspected of being responsible for a series of mysterious fires in Neelyville, Mo. In the past two years the town has been the scene of five serious fires. The latest fire destroyed three buildings with a total loss of \$25,000. The fire started in the D. O. Lutz building and spread to two adjoining frame structures before being checked.

Kansas Notes

New waterworks installations are now being planned by engineers for Norwich and St. Paul, Kan., and for Texhoma, Okla.

W. J. Bauerle of the firm of Beesly, Bauerle & Ingram, Wichita insurers, has been selected as delegate to the International Kiwanis convention at Seattle, Wash., June 15.

R. E. Greiner, local agent at Winfield, Kan., and formerly agent at Pratt, Kan., was elected one of two Kansas members on the executive committee of the south-

west group of building and loan associations at their annual convention in Topeka last week.

The Goojohn Sash & Door Company and the Yankee Doodle Macaroni Company of Leavenworth, Kan., were damaged to the extent of approximately \$75,000 in a fire last Thursday which started in the sash and door company's

warehouse, a four-story brick structure. The origin of the fire is unknown.

J. L. Gilchrist, prominent Wichita local agent of the Monarch Loan Company and member of the executive committee of the Wichita Insurers, has announced his candidacy for the Republican nomination for county commissioner from the second district.

STATES OF THE SOUTHWEST

HOLD MEETING IN OKLAHOMA

Agents Hear Commissioner Jesse G. Read at Regional Convention of State Association

MUSKOGEE, OKLA., March 14.—There were 120 present, including 95 local agents of that section of the state, at the regional meeting of Oklahoma Insurers, held here last week.

Announcing that there would be but two set speeches, Mike Williams, president of the state association, appointed Ray Siegfried, president of the Tulsa association, chairman for the day. Among the important messages brought to the convention was that of Jesse G. Read, Oklahoma insurance commissioner, who stressed the importance of the qualification law and the enforcement of the present insurance regulation. He commented upon the limited amount of money allowed by the legislature for conducting the state insurance department, stating that the department had almost become simply a collecting bureau. It collects more than a million dollars annually, only 3 percent of which has been appropriated for the support of the insurance department. As an aftermath of the commissioner's talk, C. T. Ingalls, manager of the Oklahoma Inspection Bureau, announced that he would have copies of the speech made

and mailed to every field man and local agent in the state.

Ed Overholser, president of the Oklahoma Chamber of Commerce and vice-president of the Prudential Fire of Oklahoma City, was key speaker at the joint luncheon given the underwriters, with the Muskogee Chamber of Commerce and civic clubs. Mr. Overholser spoke on "Public Relations and the Insurance Agent in a Community."

The convention passed a resolution that the association go on record as favoring those insurance companies which are conducting business along the lines of the American Agency system and of helping the local agent to better conditions in every respect possible.

Bank Agency Discontinued

OKLAHOMA CITY, March 14.—As the result of the fight successfully launched by the Associated Fire & Casualty Underwriters of Oklahoma City against bank agencies, the agency said to have been operated in connection with the Security National Bank has been discontinued and the Phoenix of Hartford agency has been transferred to the F. Wiley Ball agency. Charles R. Scruggs, manager of the Security Bank agency, has become a solicitor for the Wiley Ball agency.

Texas February Losses

AUSTIN, TEX., March 14.—Texas property owners suffered fire losses of

\$1,098,927 in January, a report compiled from losses filed with the state fire insurance department shows. Contributing to these losses were 594 fires.

Electricity caused the largest losses for the month, with 26 fires originating from that source costing property owners \$175,393. Next in line of the known causes was exposure, which accounted for 59 fires with losses that amounted to \$114,728. Cold weather, calling for more heat, was indirectly responsible for 48 fires caused by stoves, boilers, furnaces and pipes, with a loss of \$65,323.

Arson Investigation in Dallas

DALLAS, March 14.—Deputy sheriffs and a city fire marshal Friday began an investigation in connection with a series of fires within the last few days in Mills City, a negro settlement at the southern outskirts of Dallas.

Four houses have been wrecked by fires there within the last week. Negroes told officers they saw a negro fleeing from one burning house just after it burst into flames.

Hold Men in Investigation

EL PASO, TEX., March 14.—Two men are being held by Jaurez authorities and an investigation is being made of a fire that threatened the entire business district of Jaurez and caused damage estimated at \$500,000.

Make Survey of Greenville

Representatives of fire insurance companies have been making a survey of Greenville, Tex., with a view of suggesting things to be done to reduce fire hazards. Greenville has had a very bad record for fires and is carrying a 12 percent penalty. Some of the companies are not writing business there. It is believed the insuring public in Greenville is ready to eliminate fire hazards and fire insurance penalties. For that reason they asked that representatives of the fire companies make a survey of the city and advise just what should be done to cut down the fire losses. It is reported the city authorities are planning drastic measures to enforce fire preven-

tion or fire hazard eliminations if necessary.

Drop Effort for Better Rating

OKLAHOMA CITY, March 14.—An effort started recently to raise Oklahoma City from third to second place in fire insurance rating will not be followed up, it is announced. It is claimed there would really be no advantage, as possible expense would exceed benefits to be secured from the change.

Fire Marshal's Department Active

OKLAHOMA CITY, March 14.—The fire marshal's office of Oklahoma is showing special interest in fire prevention and fire protection. In cooperation with the Oklahoma Fire Prevention Association, this department has visited schools, attended district teachers' meetings and civic clubs, made talks on fire prevention, and, with the help of the school children, has presented the play, "Trial by Fire" with the cooperation of the superintendent of public schools, in most of the schools visited. The department is making an effort to make fire prevention a part of the course of study in public schools of the state. Pursuant to this movement, fire prevention exhibits were shown at the state fair, viewed by thousands of children and adults. The department is sending two or three bulletins each month to papers of the state, accentuating the necessity of fire prevention, and is endeavoring to establish fire prevention committees over the state in connection with civic clubs and organizations that are trying to build up their communities.

Oklahoma Hail Meeting

OKLAHOMA CITY, March 14.—Seventy-five state and special agents and adjusters were present at a two-day meeting called by the Hall Association advisory committee March 9-10. Members of the committee who spoke at the meeting were John Peterson of the Great American, Chicago, chairman; Jacob Nelson and N. N. Robinson, both of Chicago; Z. A. Hazard of the National Union, Sioux Falls, S. D.; H. A. Sundberg of the Hedwell-Sundberg Company,

RATE REDUCING APPLIANCES

Non-Explosive Safety Cans and Automatic Oil Waste Cans
Each can bears the label of the Underwriters' Laboratories and the Associated Factories Mutual Fire Insurance Companies.

Justrite Manufacturing Co.
2067 Southport Ave., Chicago, Ill.



Its Name Indicates Its Character

Operating Along Sound Lines

AMERICAN NATIONAL FIRE INSURANCE COMPANY

8 East Long Street

COLUMBUS, OHIO

Capital \$500,000

CHARLES G. SMITH, President
JESSE E. WHITE, Vice-President JOHN A. DODD, Vice-Pres. and Sec'y
GEORGE E. KRECH, Secretary
ALLEN W. FLEMING and E. PHILLIP GUSTAFSON, Assistant Secretaries

Progressive, Yet Conservative

MARSH & McLENNAN

Insurance

FIRE

LIABILITY

MARINE

164 W. Jackson Blvd., CHICAGO

MINNEAPOLIS
MONTREAL
WINNIPEG

NEW YORK
PHOENIX
CLEVELAND

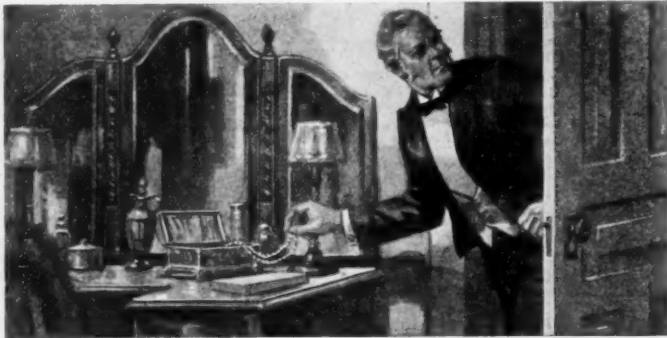
SEATTLE
PORTLAND

LONDON

PITTSBURGH
COLUMBUS

SAN FRANCISCO
INDIANAPOLIS
DULUTH

DETROIT
BUFFALO
RICHMOND



PERSONAL JEWELRY

INSURED AGAINST

ALL RISKS
IN ALL SITUATIONS

Also "ALL RISKS" INSURANCE on Furs, Salesmen's

Samples, Paintings, Etc.

A. F. SHAW & CO., Inc.

GENERAL AGENTS — ALL RISKS DEPT.

ST. PAUL FIRE & MARINE INS. CO.

NEW YORK
75 Maiden Lane
Phone Beekman 4546

CHICAGO
Insurance Exchange
Phone Wabash 1068

The Rough Notes Co.
EVERYTHING FOR THE INSURANCE MAN
CHICAGO, ILL. OFFICE SYSTEM INSURANCE SUPPLIES

Comparative Record of										Company during Year									
PREMIUMS										LOSSES									
Month	Year	Amount	Rate	Policy	Company	Policy	Amount	Policy	Amount	Month	Year	Amount	Rate	Policy	Company	Policy	Amount	Policy	Amount
Jan.										Jan.									
Feb.										Feb.									
Mar.										Mar.									
Apr.										Apr.									

Agency Comparative Record

A MONTHLY and yearly comparative record of premiums, gross and net; losses; expenses and profit to the company; by companies and for the agency as a whole, is one of the most useful and helpful records the local agency can have.

It furnishes a complete business history of the agency; it establishes its value as a business, and enables the manager to distribute his business intelligently among the companies represented. The new Utility Binder, bound in high grade, heavy-weight Keratol imitation leather, with heavy boards, makes it possible for every agency to have this record in loose leaf form at a remarkably low cost.

Suggestive Outfits and Prices

A complete outfit consists of a Utility Loose-Leaf Binder; Agency Comparative Sheets (as illustrated above); Blank Index Tabs; Monthly and Yearly Summary Sheets.

Prices, Complete Outfits
For 6 Companies.....\$3.40
For 12 Companies.....4.75
For 24 Companies.....7.80

For Sale by

The National Underwriter Co.

1362 Insurance Exchange
CHICAGO, ILL.

420 East Fourth St., Cincinnati 80 Maiden Lane, Room 613, New York
313 Iowa National Bank Bldg., Des Moines

INSURANCE OFFICE SYSTEMS SUPPLIES AND PUBLICATIONS

Minneapolis; S. K. Bjornson of the Rail & Hall Insurance Bureau, Chicago.

Among the Oklahoma speakers were R. H. Sherman of the Home, D. M. Ramsey of the Aetna, Stanley Bruce of the Hartford and W. M. Eberle of the North America.

Texas Credits and Penalties

AUSTIN, TEX., March 14—Good fire record credits were announced for 38 Texas towns. Penalties were assessed on nine additional towns, while two towns received neither credit nor penalty.

Those receiving credit were: Brownsville, Frisco, Goose Creek, Groom, Laredo, Lockney, Palo Pinto, Plainview, Slaton, Stephenville, Tulsa, Alamo, Alvin, Aransas Pass, Barstow, Bellevue, Burkburnett, Celina, Chillicothe, Karnes City, Nevada, Odessa, Pecos, Seadrift, Refugio, Sudan, Troup, Weatherford, Westhoff and Corpus Christi, 15 percent; Childress and Mercedes, 12 percent; Electra and Longview, 9 percent; Snyder and Glen Rose, 6 percent; Littlefield, 3 percent.

Penalties were charged against the following towns for bad fire records:

Pleasanton, Sulphur Springs, Athens, El Campo, 15 percent; Saint Jo, Hillsboro, 12 percent; Archer, Sugar Land, Temple, 6 percent.

Ralls and Schulenberg received neither penalty nor credit.

Wants Check on Over-Insurance

OKLAHOMA CITY, March 14—In his annual report, C. R. O'Neal, state fire marshal, recommended to the insurance board that local and special agents in Oklahoma be required to make a careful inspection of all risks for the purpose of eliminating all excessive insurance; also that proper action be taken when an investigation by the fire mar-

shal's department indicates that the local agent was neglectful when he placed the insurance. The recommendations were based on records of the department which reveal that over-insurance exists in most cases where evidence of incendiarism is found and that over-insurance provides a motive for incendiarism.

In the anti-incendiarism campaign conducted by the fire marshal's office, arson squads have been organized in 54 county seat towns. Splendid results are being obtained from this adjunct and Mr. O'Neal believes they will help to reduce the incendiary fire loss in the state to a marked extent. Of the 100 fires of this nature that were inspected by the department, 20 arrests were made during the year and four were convicted and sentenced, while 12 were bound over.

Oklahoma Notes

J. P. H. Adams of Oklahoma City, state agent of the Great American fleet, left Tuesday for a trip to New York and other eastern points.

R. G. McCarthy, engineer for Marsh & McLennan, has been transferred to Tulsa, Okla., where he has established offices at 807 Tulsa Building & Loan building.

Following a very disastrous fire recently, the city council of Lovell, Okla., has passed an ordinance prohibiting erection of other than fireproof buildings in the business part of the city.

The Prague, Okla., "Record" suggests that a bond issue of \$500 would put the fire department of that city in a condition to successfully fight fires in that town. Poor facilities were responsible for severe losses by fire there during recent weeks, it is claimed.

The Automobile Underwriters of Dallas and the Columbia Casualty have been licensed in Arkansas.

IN THE SOUTHERN STATES

FLORIDA CONVENTION PLANS

Partial List of Speakers for Agents' Meeting Announced—Will Visit State University

GAINESVILLE, FLA., March 7.—The University of Florida, in which it is planned to give later on lectures and courses on insurance, will give particular attention to the convention of the Florida Local Underwriters Association to be held here April 20-21. Dr. J. M. Farr, the president, will deliver the address of welcome, and on the afternoon of the first day there will be a reception at the university with Dr. Farr, Dean Walter J. Metherly of the college of commerce and journalism and Director Rudolph Weaver of the school of architecture, as a special reception committee.

Dean Matherly will deliver an address on "The Profession of Local Underwriting," in which the proposed insurance courses will be outlined. This proposition has had the particular attention of J. Finley Cannon, an agent here and a director of the state association, who will present Dean Matherly to the convention.

While the program for the convention is far from complete the following have been lined up as speakers: Walter H. Bennett, secretary-counsel of the National Association of Insurance Agents; George E. Turner of the Casualty Information Clearing House, Chicago; Dean Matherly, J. C. Luning, commissioner of insurance, and H. H. Thornton of Pensacola, former president of the state association, who will discuss the advisability of a workmen's compensation law for Florida. There will be two local board discussions, one on boards in the larger cities and the other in smaller and medium sized towns.

Prestonburg, Ky., in the eastern Kentucky mountains, suffered a \$100,000 fire in which seven business buildings and other property had been destroyed, the fire starting in a bakery, spreading to the Floyd County Times building, the telephone exchange building, the post-office, Jones building and others.

OWNS LARGE MIAMI AGENCY

George C. Stembler's Organization Writes Over \$1,000,000 in Fire and Casualty Premiums

MIAMI, FLA., March 14.—The Stembler agency of Miami is one of the largest local agencies in the south. In 1925 it wrote \$1,500,000 of fire and casualty premiums, and although all premiums have been reduced, the agency still writes over \$1,000,000. The agency is eight years old. Behind it as its guiding spirit and force is George C. Stembler, one of the striking personalities in the insurance business in the south.

The story of the success of the agency lies in the personal salesmanship abilities of George Stembler. Born in Baltimore some 50 odd years ago he first learned salesmanship dispensing 10-cent-a-week "sick and accident" policies to the colored brethren, working out of Atlanta. Then he got some more training with a life insurance outfit and eight years ago found him in Miami embarked in the general insurance business.

As a salesman he is of the "irresistible" type. He gets everything he goes after. He probably doesn't know a whole lot about the principles of underwriting, but he has enough surface knowledge to get the business. He has an intuitive knowledge of insurance needs. He will slow up his machine before a residence or place of business, go in and talk \$5,000 fire insurance coverage, and come out with complete fire, casualty, automobile and every other kind of coverage on everything the man owns. He will "cuss out" some big man over the telephone and go right over to his office, put his arms around him and make him like it.

Fred W. Vanderpool, who has the second largest agency in Miami and whose success has been as remarkable as Stembler's, admits that "Stem" can beat him out every once in a while in salesmanship.

When Hunter Lyon wanted to organize a fire insurance company in

Miami, he picked Stembler for president because he knew Stembler could sell the stock quicker than anyone else—and he proved it.

Stembler rose to the opportunities of the rapid growth of Miami and was exactly adapted to meet the unparalleled conditions of the boom city.

Now he is sitting on top of the world and will stay there if Miami will only be good and continue to pay her premiums—promptly—into the Stembler office.

MISSISSIPPI FIGURES GIVEN

Premiums and Losses for the Various Companies on Their Operations for Last Year

The premiums and losses in Mississippi for the various companies last year are as follows. The abbreviation "F" stands for fire and "O" for others:

	Premiums	Losses
Inter Ocean	F. \$ 18,122	\$ 900
Com. Union, Eng.	O. 2,901	602
Globe & Rutgers	F. 100,423	82,484
Citizens	O. 19,682	33,542
National Sec.	F. 242,597	180,034
Alliance	O. 73,407	85,925
Agricultural	F. 114,544	59,237
Star	O. 25,115	12,392
Federal Union	F. 356	7
L. & L. & G.	F. 13,208	6,847
Fire Reassur.	O. 4,675	1,717
Travelers	F. 49,204	29,374
Pilot	O. 11,444	4,328
McAlister Under.	F. 31,821	20,556
Milw. Mechanics	O. 6,979	1,383
Home Fire & Mar.	F. 10,684	6,693
Atlas	O. 2,246	419
Fireman's Fund	F. 166,831	112,444
Scottish Union	O. 37,656	7,217
Victory	F. 6,482	14,248
Fire Association	F. 79,524	40,490
North River	O. 11,634	1,979
Federal	F. 4,996	1,835
Connecticut	F. 59,277	31,755
Skandinavia	O. 6,875	457
Am. Merc. Mar.	F. 39,960	28,235
Dixie	O. 4,621	690
Mississippi	F. 36,162	17,650
Bankers & Merch.	O. 5,584	1,870
Caledonian	F. 2,757	3,282
Sun	F. 93,625	80,734
Franklin Nat'l	O. 51,803	48,034
North America	F. 43,168	27,428
Phil. F. & M.	O. 3,488	743
Com. Un., N. Y.	F. 1,264	1,559
California	F. 2,528	3,118
Palatine	F. 137,863	93,109
Union Assur.	F. 58,353	54,145
Maryland	O. 7,404	5,062
Svea	F. 46,930	14,390
Automobile	O. 5,798	10,700
Phoenix, Hart.	F. 39,115	17,660
Southern Home	O. 2,096	3,094
American Central	F. 3,257	2,211
New Hampshire	F. 80,008	52,847
Employers	O. 8,739	1,086
American Drug	F. 114,171	69,824
N. Y. Und.	O. 33,808	4,011
General Exchange	F. 83,851	47,649
Potomac	O. 16,911	3,794
Sea	F. 1,934	200
Western	F. 48,698	2,454
State, Penn.	O. 1,478	2,697
American Eagle	F. 2,491	1,295
Prudential	F. 123,698	61,145
Lincoln	O. 45,318	77,831
London & Lanc.	F. 5,383	3,387
Northw'n F. & M.	O. 3,265	773
Salamandra	F. 20,084	15,320
Newark	O. 4,137	6,529
Royal	F. 15,063	11,940
	O. 3,102	5,042
	F. 30,126	23,822
	O. 6,205	10,112
	F. 25,105	18,491
	O. 5,171	8,400
	F. 36,111	16,981
	O. 42,183	18,119
	F. 239,760	239,579
	O. 44,434	11,023
	F. 48,698	21,073
	O. 7,849	5,843
	F. 38,909	16,252
	O. 4,271	659
	F. 33,738	23,618
	O. 4,176	730
	F. 2,528	3,356
	O. 1,407	3,763
	F. 9,430	5,485
	O. 2,520	1,120
	F. 166,208	141,153
	O. 19,997	12,687
	F. 112,525	128,141
	O. 30,014	18,106
	F. 22,663	99,002
	O. 51,271	43,305
	F. 5,172	1,336
	O. 54,717	34,688
	F. 1,231	905
	O. 1,732	4,071
	F. 22,230	16,545
	O. 17,382	11,467
	F. 2,007	2,525
	O. 20,085	7,158
	F. 50,711	36,838
	O. 3,367	612
	F. 26,021	13,815
	O. 9,255	6,207
	F. 180,316	157,248

	Premiums	Losses
Skandia	O. 66,905	65,687
World	F. 17,545	22,751
St. Paul	O. 17,192	18,791
Home, Ark.	O. 4,473	2,093
LaSalle	F. 45,746	30,652
Home, N. Y.	O. 22,754	17,497
National, Ct.	F. 256,930	119,138
Mechanics & Trad.	O. 68,198	46,557
Continental	F. 30,352	25,442
North British	O. 6,641	495
Pennsylvania	F. 400,473	273,025
Aetna	O. 129,377	284,242
Columbus	F. 194,115	127,529
Fidel.-Phoenix	O. 32,167	33,933
Camden	F. 47,878	25,970
Queen	O. 7,046	1,308
Prov.-Wash.	F. 159,862	67,904
Union, Canton	O. 14,221	26,276
North Star	F. 116,646	54,658
British Amer.	O. 48,769	50,559
Hudson	F. 12,613	1,003
Urbaine	O. 5,550	7,005
American Res.	F. 229,468	200,024
	O. 33,126	8,459
	F. 35,832	18,168
	O. 229,344	97,155
	F. 16,401	16,827
	O. 8,763	4,577
	F. 104,931	41,698
	O. 24,904	15,564
	F. 22,127	39,634
	O. 2,162	1,682
	F. 29,509	5,615
	O. 26,239	19,481
	F. 34,804	10,052
	O. 5,669	3,751
	F. 72,129	36,824
	O. 13,066	2,244
	F. 9,684	5,500
	O. 5,055	10,472

KENTUCKY TAX BILL PASSES THE HOUSE

By a vote of 53 to 46 the Dorman bill which increases the Kentucky state tax from 2 to 3 percent on all insurance premiums except those of Kentucky companies was passed by the house. New amendments were made, one providing exemption for tax on fraternal and another providing that if companies pass the tax on to policyholders all cities of the state should levy an occupational tax on the companies. The bill now goes to the senate. According to reports from Kentucky it looks as if the measure will pass that body.

Another bill passed in the house provides for a zoning measure on the basis of fire hazards, and to permit the state insurance department to zone the state and regulate rates on that basis, the law being similar to ones in several states, and favored by company interests. In the Kentucky senate a bill providing for the State to appropriate funds and gradually carry its own fire insurance was killed by a narrow vote, the argument being made that the state had no right to enter the insurance business, even to carry its own insurance on state property.

CREDIT CONDITION ACUTE AMONG FLORIDA AGENTS

The credit issue in Florida is perhaps the outstanding question. It is complicated by the fact that many agents are not required to give bond and the state law regards non-payment of company balances simply as a debt. Agents who embezzle company funds cannot therefore be reached.

Some general agencies use a form of trust agreement requiring agents who do not give bond to sign, thus placing the company's portion of the premium in the nature of a trust fund.

Given Wide Licensing Powers

Under house bill No. 278, which passed the Virginia legislature last week, the state corporation commission, which hereafter will have complete control over the licensing of agents, is given wider powers than those formerly vested in Commissioner Button in determining the qualification of applicants for a license. It is provided that "the commission may, by such independent investigation as it may deem proper or necessary, satisfy itself that an applicant for registration is trustworthy and has sufficient knowledge of the business of insurance to intelligently conduct the same."

Under the old law it was only necessary for the company to certify that

SECURITY FIRE INSURANCE CO. of Davenport, Iowa



Commenced Business 1883

ROYAL EXCHANGE
ASSURANCE

THE STATE
ASSURANCE CO., LTD.

PROVIDENT FIRE INS. CO.

Fire and Automobile Lines

CAR AND GENERAL

INSURANCE CORPORATION, LTD.

Automobile, Liability and Plate Glass

95 Maiden Lane

New York

The
LIBERTY
HOME OFFICE DAYTON, OHIO
INSURANCE COMPANY

Automobile Insurance—Full Coverage—All in One Policy
Plate Glass, Liability and Accident Insurance
Capital Stock \$250,000—Assets Over One Million
Surplus to Policyholders Over Half Million

Agents wanted in Ohio, Missouri, Kentucky, Michigan,
Tennessee, Kansas, Indiana, Alabama and Florida.

J. R. Jones,
Sec'y & Mgr.

SAFE FOR AGENTS — BEST FOR ASSURED

WESTCHESTER

FIRE INSURANCE COMPANY OF NEW YORK

AN
OLD and THOROUGHLY RELIABLE
COMPANY

ESTABLISHED 1837

WESTCHESTER

FIRE INSURANCE COMPANY OF NEW YORK

Western Department:

111 W. Jackson Boulevard
CHICAGO, ILL.

SAFE FOR AGENTS — BEST FOR ASSURED

**One fire hazard
easy to overcome**IT is the hazard that accompanies
the use of gasoline and other
combustible materials in industrial
cleaning operations.Wherever it exists, this hazard
can be overcome by using Oakite
materials that are non-inflammableand non-explosive and involve no
risks either in use or in storage.Our Service Men are always at
the call of insurance organiza-
tions and industrial concerns in-
terested in SAFE cleaning.Oakite Service Men, cleaning specialists, are located in
the leading industrial centers of the U. S. and CanadaOakite is manufactured only by
OAKITE PRODUCTS, INC., 54B Thames St., NEW YORK, N. Y.**OAKITE**

Industrial Cleaning Materials and Methods

SPECIALISTS
in
INSURANCE
STOCKS

Quotations will be gladly furnished.

Address

CHARLES SINCERE & COMPANY

231 So. La Salle St.

Branch Office, Palmer House

All Phones State 2400

MEMBERS

New York Stock Exchange
Chicago Stock ExchangeChicago Board of Trade
Asso. Member, N. Y. Curb Ass'n.Refer to Quotations that appear regularly in
THE NATIONAL UNDERWRITER

it had duly investigated the character and record of the applicant and satisfied itself that he was trustworthy to act as its agent and intended to act in good faith. This provision is retained in the new law.

Reduce Augusta Loss Ratio

AUGUSTA, GA., March 14.—Henry M. North, chairman of the fire prevention committee of the Augusta Board, cooperating with Chief Kennedy of the Augusta fire department, is enlarging the scope of the work inaugurated here many months ago, which has proven the means of materially reducing the fire loss ratio, by intelligent inspection, correcting existing defects in flues and the removal of buildings which are a menace to adjoining properties.

Jac D. Lesemann & Son of Charleston, S. C., have inquired about the plan and are being furnished with the information, which will enable them to reduce the loss ratio of Charleston, if they can secure cooperation.

State Self-Insurance Bill Dies

RICHMOND, VA., March 14.—After passing the senate the bill providing for the state of Virginia to carry its own insurance on public buildings died in committee of the house. Several fruitless attempts were made to discharge the committee and get it on the calendar during the closing days of the general assembly which ended its biennial session last Saturday.

Richardson in Auto Accident

RICHMOND, VA., March 14.—Archer L. Richardson of the Talley, Hobson & Richardson agency of Richmond, former secretary-treasurer of the Virginia Association of Insurance Agents, had a close call the other day when a car in which he was motoring from Newport News to Richmond with members of his family swerved from the roadway and turned over in a ditch. He was severely bruised and shaken up, as were his mother and sister. His son, driving the car, escaped injury. Mr. Richardson had just been through a long siege of arthritis when he met with the mishap.

Little Demand for Frost Insurance

MIAMI, FLA., March 14.—So far as could be learned in Miami practically no frost insurance is being written, although several companies, including the National Union, are prepared to write it. The recent freeze destroyed or set back many citrus groves in Florida, besides, of course, numerous crops of vegetables. For some distance below Miami the avocado trees are blighted and the crop destroyed for this year. No doubt as Florida develops the matter of frost insurance will become more important and receive consideration by the companies.

Plans for New Company

LOUISVILLE, KY., March 14.—Much discussion has been heard in local agency circles of Louisville regarding the plans of E. S. Tachau & Sons, large local fire and general agency operators, for development of a fire insurance com-

pany with capital of \$100,000 and surplus of \$200,000, stock selling at three for one.

It became rumored in Louisville that the new Tachau owned company might operate as the Daniel Boone Fire, but E. S. Tachau, in a recent discussion, stated that plans were still in the formulative stage, and that a name had not been selected, nor a board of directors selected as yet.

Kentucky Notes

J. Reyburn Watson, Northern Assurance of England, has moved to 1194 Starks building.

W. W. Robertson and L. S. Shaw of Mayfield, Ky., have merged their agencies, which in the future will be known as Shaw & Robertson.

T. V. Ponder, of the Ponder Hart Co., Louisville adjusters, representing the assured in loss adjustments, and Mrs. Ponder are spending some time in Florida.

Thomas G. Wilds, state agent for the Henry Clay Fire, of Lexington, has moved his office from 1194 Starks building to 1046 Starks building.

The Shaw & Co. incorporated agency at Mayfield, Ky., has recently changed its title to Shaw & Robertson, Inc., composed of Wm. W. Robertson, Len S. Shaw and the latter's son, S. Cook Shaw.

Noah Marsee, agent at Bryantsville, Ky., is reported in a dangerous condition at a hospital in Danville, Ky., where he recently underwent a serious operation.

At Morganfield, Ky., Young & Russell have recently taken over the Collins Walker Agency, and will now operate as the Young & Russell Insurance Agency.

A new insurance firm of Harlan, Ky., is Lewis, Noel & Jones, successors to Lewis, Campbell & Jones. The agency will do a general insurance business with offices in the First State Bank of Harlan.

Under the auspices of the Civic Club, the Kentucky State Fire Prevention Association will inspect Franklin, March 29. The Rotary, Exchange and Woman's Clubs and the superintendent of schools are cooperating in the activity.

Members of the Kentucky Fire Prevention Association left Louisville today for a meeting of the body and inspection of the town of Somerset, Ky. A similar meeting and inspection has been arranged for Franklin, Ky., on March 29.

At Shelbyville, Ky., S. B. Moxley, who for a number of years has been head of the Armstrong Insurance Agency, has recently purchased the interest of his partner, R. A. Hoover, in the business, which is now under his sole control.

George Parker of the Kentucky Actuarial Bureau and Deputy Fire Marshals George Keenon, James Coffee and W. E. Rogers inspected Hazard, Ky., the past week for fire hazards. The purpose is to make needed changes and get a lower rate.

Companies have been transferring the past week at Lancaster, Ky., to Frisbee & Walker, following the purchase of Joe J. Walker of the interest formerly held in the agency by Guy Davidson. The agency was formerly operated as Frisbee & Davidson. The latter was a bank cashier at Lancaster, but recently has accepted a like position with a bank at Cynthiana.

Fire losses at Augusta, Ga., during February were only \$491, against \$16,940 in February last year.

ON THE PACIFIC COAST**ADOPT PLAN OF OPERATION**

Northwest General Agents Association
Accepts Agreements Outlined by
Eastern Conference Committee

SEATTLE, March 14.—Northwest General Agents' Association has adopted the plan of operation as outlined by the Eastern Conference Committee in New York in January. The compromise has been ratified both by the Pacific Board and the Northwest General Agents' Association. Under the agreement Northwest general agents who conduct a local agency business will receive local agency commissions upon direct business. All brokers must receive 5 percent less than local agency commissions and no broker may be licensed as an agent.

Agency appointments will be limited

to two for each company in any city with the rider that where the general agent is doing a direct business his agency will constitute one appointment. All Pacific board rules which are contrary to the laws of Washington are declared void in the state in the compromise, with differences to be interpreted and regulated by the Eastern Conference Committee.

In the agreement there is provision that a general agent must be appointed for an entire state for either a company or its underwriters and such an appointed general agent must appoint at least 15 bona fide agents within the first 12 months of his appointment.

The general agency firms of Bell & Co., and Elwell & Co., were admitted to the association at this meeting.

Punished for Attempted Fraud

SALT LAKE CITY, March 14.—Convicted on a charge of attempting to de-

fraud an insurance company in connection with an automobile policy, a man named Jesse Barber of this city was this week fined \$500 by a district court judge. Barber is alleged to have made a false statement to the effect that his automobile had been stolen. He was about to receive \$800 from his insurer when the company became suspicious and began an investigation.

CANCELLATION NOT BINDING

Brother of Assured Fails to Deliver Letter Containing Notice Until After Fire

In Hartford Fire vs. Brothe, Supreme Court of Colorado, 262 Pac. 927, the plaintiff carried a policy with the defendant covering certain buildings on his farm. In accordance with the terms of the policy the defendant mailed a registered letter addressed to the plaintiff cancelling the policy. By the terms of this letter the plaintiff was notified that the policy in question would be cancelled upon receipt of the notice by him.

This letter was received by plaintiff's brother, who had authority to receive plaintiff's mail, on Oct. 18. The brother, however, did not deliver the letter to the plaintiff until the evening of Oct. 21. On that same day prior to the delivery of the letter, the property covered by the policy was destroyed by fire.

Court Affirms Judgment

The defendant denied liability on the ground that cancellation of the policy had been effected. The plaintiff filed suit and recovered a judgment in the lower court. On appeal the higher court in stating the contentions of the respective parties, in reviewing the record, and in affirming the judgment, said:

"The plaintiff's contention is that he did not receive notice of the cancellation, or of the company's intention to cancel the policy, until after the fire, while the defendant's contention is that the plaintiff's brother was his agent, authorized by plaintiff to get the letter, and, when it was delivered to his brother, it was delivered to plaintiff, but that, if this were not so, that is, if the letter never had been received by assured, the cancellation provision of the policy was complied with when the letter was mailed.

Only Agent to Receive

"We have examined the authorities cited by defendant to support its proposition that notice received by the agent of the insured is notice to the insured. We are of the opinion that these authorities do not apply to the instant case. In the cases cited, the agents were either agents of corporations whose business it was to receive the correspondence of the corporation and attend to its business, or agents who were authorized to transact the business in which they were engaged and acting within the scope of their employment and agency. Here the only authority given Charles Brothe was to receive the letter and deliver it to plaintiff.

"In its letter the defendant stated that the cancellation would be effective upon receipt of that notice. The sentence in the letter relative to the time when the cancellation would be effective must be regarded as defendant's own construction of the policy. The defendant had the right, under the policy, to name any date or time satisfactory to itself when the cancellation should take effect. It saw proper to inform plaintiff that the cancellation of the policy would be effective upon receipt of that notice. By that it is bound. The notice was received by plaintiff too late to effectuate its purpose. Supersedeas denied, and judgment affirmed."

Restore Old Colorado Riot Rates

DENVER, March 14.—Following official ending of the Colorado coal strike, general agencies of the state announce that they are continuing riot and civil commotion policies at the regular rates.

A triple rate was in effect during the strike.

Charge of Seattle Office

SEATTLE, WASH., March 14.—L. H. Spafford has taken charge of the Seattle office of the American Appraisal Company, succeeding R. S. Penrose. Spafford has been with the company several years and has had wide experience in various phases of valuation and property analysis work. Spafford will make his permanent headquarters here at 544 White-Henry-Stuart building.

Organization for 1928

SEATTLE, WASH., March 14.—Officers of the Insurance Exchange, through President Arthur Morganstern, have appointed a number of committees to handle the affairs of the organization in 1928. Committee chairmen are: Legislative, William H. Ritter; entertainment, Cyril Stutfield; grievances, Sol Esfeld; educational work, Carl Ballard; new members, Kenneth Morford; state association, Edmund Bowden; by-laws, George Newall; finance, Walter Robertson; advertising, J. C. Coart; national association, H. E. Briggs.

Carl Ballard, chairman of the educational committee, announced that courses promulgated by Insurance Institute of America will be offered to all members during the coming year.

George Newell, retiring president, was presented a black walrus traveling bag by Carl White, acting for the organization.

Joins W. H. Ritter

Merle Denny, former executive secretary of the Seattle Insurance Exchange, has been appointed manager of the fire insurance department of the W. H. Ritter agency in Seattle. Denny's own fire insurance business will be merged with that of Ritter. For many years Denny was manager of the insurance department of Fisker & Co.

Sells Fire Business

H. M. Newhall & Co. of San Francisco, the old shipping firm which has maintained fire and marine insurance general agencies for a number of years, have sold their fire business to the Western States Fire agency. The latter firm was organized in 1927 by Wilson Bishop, former metropolitan manager for the Fidelity-Phenix, and prior to that connection for more than 25 years with the Royal fleet in the Pacific department. During the agency's first year in business it did approximately \$250,000 in premiums.

Dispose of Marine Agency

Matthews & Livingston, marine general agents of San Francisco, announce the disposal of their marine agency at Seattle, representing the Queen and Royal, to Carter, McDonald & Miller. K. I. Lawson, who has been in charge of the Seattle office, will return to San Francisco.

Pacific Northwest Field Changes

Neil Stewart, special agent for the Balfour, Kessler Agencies in Oregon, southern Idaho and a portion of Washington for the past eight years, has resigned.

C. R. Maddock, special agent for the W. W. & E. G. Potter general agency, representing the Firemen's group, has been transferred from Los Angeles to Portland, where he will cover the Oregon and southern Idaho territory. He succeeds J. W. Bristow.

Metropolitan in California

License to do business in California was granted Tuesday to the Metropolitan Fire of Chicago. L. J. Byers is named as general agent.

Coast Notes

Business of the Louis Van Orman & Co. agency of Portland, Ore., has been consolidated with the Fred A. Schlick Company, general agent for the Metropolitan Casualty. The Van Orman agency is the second taken by the Schlick company in recent months.

Agents as Editors

The "Hartford Agent," the house organ of the Hartford Fire, announces two additions to its board of consulting editors, they being Morton T. Jones of the R. B. Jones & Sons agency at Kansas City, and Fred H. Phillips of E. W. Phillips & Son, Springfield, Mo.

JAMES J. CAREY
President

JOSEPH GERSON
Vice-President

E. T. LYONS
Sec. & Managing
Underwriter

THE COLUMBIAN NATIONAL FIRE INSURANCE COMPANY

of Lansing, Michigan

Fire

Windstorm

Rents

Use & Occupancy

AMERICAN UNION Insurance Company of New York

Administrative Offices, Hartford, Conn.

J. H. VREELAND, President

Assets \$1,747,821.82

Liabilities \$373,586.55

Policy holders Surplus \$1,374,235.27

Fire Insurance and All Allied Lines

A Complete Insurance Bookkeeping System . \$15.⁷⁰

Think of it—Every Record needed in your business in a single Book! Everything at your finger tips—and no bookkeeping experience necessary to keep it! That is what the UTILITY record offers you!

Answers all your questions at a glance—no red tape—no complications—and priced at only \$15.70. Send in the coupon for complete information on this astonishing system.

! and!
! in!
! one!
! Book!

ACCURATE LOOSE LEAF CO.

81 NASSAU STREET
NEW YORK CITY

ACCURATE LOOSE LEAF CO.
81 Nassau Street, New York City, N. Y. FNU 3-15
Please send me immediately complete information regarding your Utility Bookkeeping System.
Name
Street
City
State

Re-Insurance Corporation of America (Fire Re-Insurance)

Horace R. Wemple, President

84 WILLIAM ST.,

NEW YORK, N. Y.

200 SPECIALISTS GATHER THE INFORMATION THAT APPEARS IN THE NATIONAL UNDERWRITER.

NEWS FROM EASTERN FIELD

LAST REGIONAL MEET HELD

New York State Association of Agents in Semi-Annual Gatherings—Non-Policy Writers Scored

NEW YORK, March 14.—The New York State Association of Local Agents has just concluded a series of semi-annual regional meetings, all of which were well attended and provocative of keen interest. The first of the gatherings was held at Binghamton, N. Y., Feb. 29, and was followed at brief intervals by meetings at Johnstown, Rochester, Utica and Schenectady. E. Beach, former president of the State Association J. W. Rose, the present chief executive, and James Hamilton, vice-president, served in turn as presiding officer at the various conferences.

Mutual competition and compulsory automobile liability insurance were the two main subjects discussed at the regional gatherings. At the Schenectady meeting the agents hurled hot shot into the non-policy-writing agency method

followed by some companies, concluding their arraignment of the solicitors by adopting a resolution holding that in all fairness the non-policy-writing agents should be allowed simple brokerage, the character of their service not warranting the payment of commissions equal to that allowed recording agencies.

BILL MAKES MUDDLE WORSE

New Jersey Agents Face Still More Complications in Effort to Solve Commission Problem

Through the introduction of a bill in the New Jersey legislature to require every fire insurance company operating in the state to pay all its agents in the state the same commission, an extremely complicated situation has arisen. Were the bills to become law, it would not require companies to pay commissions uniform with those of other companies. The bill already has passed the senate and has been reported out favorably by the house committee.

The Camden Fire has requested that an amendment be proposed providing that the insurance commissioner each year shall take a vote of all the companies as to the proper commission to be paid and to promulgate as the proper commission that one which is favored by the majority of companies. The Camden has a large amount of choice business in New Jersey. If the bill were enacted without the proposed amendment, the Camden would be greatly inconvenienced and might suffer considerable loss, because some of the non-affiliated companies probably would offer greater commission for "cream" business than would be provided for in the scale of the Eastern Underwriters' Association.

Agents Fight Bill

Agents of Essex, Hudson and Camden counties have fought the bill because it would reduce their commission. It is expected, however, that they will join agents of the other counties in the state in fighting the amendment. The reason for the fight is that adoption of the bill with the amendment proposed by the Camden would place all New Jersey agents on the commission basis agreed on by the Eastern association. Companies holding membership in the association constitute a large majority of all companies operating in New Jersey. Any scale the association were to agree on would become the prevailing scale. New Jersey agents do not want this, because if commissions are put under statutory regulation, all agents wish to be free to deal with the companies that will agree to pay the highest commission.

Wants Blanket Policy

All Buffalo municipal insurance will be written hereafter by direction of the council of that city, if a resolution introduced in that city by Councilman Joseph Becker is passed. A single blanket policy would be purchased by the council covering all motor vehicles and another covering all public buildings, if Mr. Becker's effort succeeds.

It is the claim of the proponent of this plan much more coverage could be had at slight additional cost in this manner and that the change would be in the interest of taxpayers. Until now each department head in Buffalo has purchased necessary insurance for property under his control.

Banker Asks Rate Inquiry

BUFFALO, Mar. 14.—Strong pressure is being brought by J. J. Lughino, a Buffalo banker, to obtain authorization for a state investigation of fire insurance rates in that city and probably throughout the state. In demanding this legislation Mr. Lughino has cited examples of premiums paid on property which he owns, contending that in some

instances costs of fire insurance protection have more than tripled in the past five years.

E. H. Sigison, manager of the Buffalo office of the New York State Fire Insurance Rating agency, issued a statement in which he pointed out that this organization fixes rates after studying the character of occupancy, construction, public protection, character of adjoining holdings, internal protection and other items.

Mr. Sigison has gone to New York city to discuss the proposed investigation with members of the state rating agency there.

Crowther Addresses Security Club

NEW HAVEN, CONN., March 14.—R. W. Crowther, assistant secretary of the Springfield Fire & Marine, addressed the members of the Security Insurance Club of New Haven on "Automatic Sprinkler Protection." The talk was given at the home office of the Security and was well attended and interesting.

The next meeting of the club March 20 will be addressed by C. B. Langdon, chief engineer of the Factory Insurance Association of Hartford, on "Metal Industries."

Kill Bill for Appeal Board

BOSTON, March 14.—The Massachusetts senate, by refusing to substitute Senator Clegg's bill for an adverse report, has killed the attempt to have the Massachusetts legislature enact a law which would set up a new board of appeal for persons who may be denied fire insurance policies. Senator Clegg argued that the insurance companies are sometimes very arbitrary in rejecting would-be insureds, and he believes there should be some form of appeal.

Senator Moran, chairman of the insurance committee, said the bill was very unwise, as the state had no authority to compel an insurance company to issue a policy against its judgment.

Experience Justifies Engineers

According to National Fire Protection Association bulletin 138 the efforts of the organization's field engineers to have all cities establish adequate fire alarm facilities with central offices protected from fire attacks and with wires placed under ground were justified by the ex-

perience at Fall River, Mass., in the fire that recently swept a part of the business district of that city. Five years ago the Fall River central office was relocated in a fire resistive building and all wires were placed under ground. It now develops that a large portion of the city would have been razed had the fire alarm system been made inoperative during the progress of the fire. Twenty-five separate fires were started by flying embers and each had to be reported by the fire alarm office. Only one fire alarm box was destroyed. It was located in the building where the fire started. Only one circuit was interrupted and that one for only 20 minutes.

Eastern Notes

The National Cathedral Fire is in process of organization at Rockaway, N. J.

A baby boy was born to Mr. and Mrs. Herbert G. Guempel on March 3. Mr. Guempel is special agent in southern New Jersey for the American of Newark.

Fred W. Herberts & Son of New York have been named agents for the Trinity Fire of Dallas. The company will have charge of the business in the Bronx. The Harry M. Feuerstein Agency of Brooklyn has been appointed to represent the Trinity in Brooklyn and suburbs.

Peter Lapey, son of Perce G. Lapey, Buffalo insurance broker of the firm of Duell, Lapey & Co., was stricken with acute bronchitis just prior to arriving in New York after a Caribbean sea cruise, and was removed to the Roosevelt hospital in that city.

New England Notes

Miss Anna Lally has left the H. W. Seide agency of Hartford to join Beach-Forman Company. For several years she was associated with the stamping office in Hartford, Conn.

William J. Johnson of Manchester, Mass., one of the leading agents for many years of Essex county, died last week of ailments incident to old age. He was the father of Fred M. Johnson of the Boston firm of Field & Cowles.

Monthly Installment Plan

The selling of insurance protection on a monthly installment basis by a local insurance agency is not to be recommended. There are limits beyond which our American dollar-down-and-dollar-a-week craze should not extend.—Hartford agent.

IN THE CANADIAN FIELD

FIRE LOSS RATIO IMPROVED

Reduction Shown in Every Province of Canada—Hail and Automobile Experience Unfavorable

OTTAWA, ONT., March 14.—The figures for fire insurance in Canada in 1927 show in every province a more favorable loss ratio than was experienced in 1926. Subject to correction, the loss ratios by provinces for 1927 with the ratios for 1926 in parenthesis are: Alberta, 43.92 (56.60); British Columbia, 36.35 (48.99); Manitoba, 28.26 (39.18); New Brunswick, 39.86 (49.94); Nova Scotia, 49.15 (58.56); Ontario, 43.58 (46.67); Prince Edward Island, 46.70 (106.48); Quebec, 41.58 (51.33); Saskatchewan, 38.43 (43.34).

Three classes of insurance showed an unfavorable experience, automobile insurance with \$9,720,023 of premiums and \$6,198,542 of losses, or a loss ratio of 63.77 percent; hail insurance with \$5,889,095 of premiums and \$6,069,183 of losses, the loss ratio being 103.05 percent, and employers' liability or workmen's compensation insurance, which is carried on mainly in Quebec, with \$3,716,079 of premiums and \$3,045,074 of losses, the loss ratio being 81.94 percent. The corresponding ratios in these three classes for 1926 were respectively 54.47, 70.21 and 71.90 percent. All other classes of casualty insurance business appear to have had a normal experience.

Requirements for Side Lines

OTTAWA, ONT., March 14.—In addition to the initial deposit of \$100,000 required by the Dominion insurance de-

partment of all foreign companies for a license to transact fire or life insurance throughout Canada, the department has announced the amount of deposit required by the treasury board for the various additional classes of insurance written by fire companies as follows:

Automobile, \$100,000; automobile (excluding fire risk), \$40,000; aviation, \$40,000; earthquake, \$20,000; explosion, \$40,000; hail, \$100,000 inland transportation, \$20,000; live stock, \$40,000; property damage, \$20,000; sprinkler leakage, \$20,000; tornado, \$10,000; weather, \$100,000.

Alberta Agents' Annual Meeting

At the annual meeting of the Alberta Insurance Agents' Association held recently in Calgary, C. E. Tait of Calgary was elected president. An address on "State Insurance" was delivered by J. O. Miller of Calgary. President H. H. Smith of the Western Canada Fire Underwriters Association also addressed the meeting.

Loss at Trinity College School

A disastrous fire occurred at Port Hope, Ont., on the 3rd inst. While some boys were playing hockey on the skating rink attached to Trinity College School they discovered the rink was on fire and unsuccessfully tried to check the blaze, which rapidly spread, fanned by a strong wind, to the gymnasium and thence to the college itself. Inside of a half hour the gymnasium was a total wreck. The chapel was the next to go and then the college. The loss is estimated at \$750,000.

Calgary Agents' Election

At the annual meeting of the Calgary Fire Insurance Agents Association the visitors included President H. H. Smith and Secretary-Treasurer A. H. S. Stead.

GEORGE L. RAMEY
AGENCY
 INTERSTATE AGENCIES, Inc.
 J. F. Wild Bldg.
 INDIANAPOLIS, IND.
 Phone
 MAin 6666



A · DIRECTORY · OF · RESPONSIBLE INDEPENDENT ADJUSTERS

CALIFORNIA

Chicago Office: 1827 Insurance Exchange
JOHN F. BLYTHING
ADJUSTER
1028 INSURANCE EXCHANGE
LOS ANGELES
Tucker 9942
Just Automobile Adjustments

H. L. WITTENBERG & BRO.

Automobile Adjusters
Licensed and Bonded Investigators
805 Insurance Exchange Bldg.
LOS ANGELES

COLORADO, WYO. AND N. MEX.

Charles F. Wilson Charles W. Krueger
Wilson-Krueger Adjustment Co.
Adjusters of Insurance Losses
All Modern Coverage
840 Gas & Electric Bldg. Denver, Colorado
718 First Natl. Bk. Bldg., Albuquerque, N. M.

DISTRICT OF COLUMBIA

NICHOLS COMPANY
INVESTIGATIONS & ADJUSTMENTS
FOR
INSURANCE COMPANIES
D. C.—Md.—Va.—W. Va.
Suite 625-26-27-28 Bond Building
WASHINGTON, D. C.
Practical, Prompt & Courteous Service

ILLINOIS

KOERTS & KITTS
INSURANCE ADJUSTERS
327 SO. LA SALLE ST.
Telephone Harrison 5177
CHICAGO

**WILSON S.
LEVENS**
AND COMPANY
ADJUSTERS
CHICAGO

THOMAS T. NORTH
ADJUSTMENT COMPANY
Automobile and Side Line Losses
A Specialty
175 West Jackson Boulevard
CHICAGO

G. B. VAN BUREN & CO.
ADJUSTERS
Specializing in
Burglary, Automobile, Tourists Floater and
"All Risk" Adjustments
327 S. La Salle St., CHICAGO, ILL.

Fire Auto Casualty
Angus B. Ferdinand
BONDED ADJUSTER
715 Jefferson Bldg. Tel. 6057-23818
Over 10 years experience Established Peoria 1922
PEORIA—ILL.

ILLINOIS (Cont.)

**WILSON S.
LEVENS**
AND COMPANY
ADJUSTERS
PEORIA

FIRE AUTOMOBILE
J. L. FOSTER
INSURANCE ADJUSTERS
314-1st National Bank Building
SPRINGFIELD

INDIANA

INDIANA ADJUSTMENT CO.
Automobile Adjustments
INDIANAPOLIS
FORT WAYNE
TERRE HAUTE
EVANSVILLE

Automobile Adjustments Only
EUGENE McINTIRE
318 American Central Life Building
Phone Main 0144 INDIANAPOLIS

**WILSON S.
LEVENS**
AND COMPANY
ADJUSTERS
SOUTH BEND

Reliance Adjustment & Service Co.
A. M. Foley, Mgr.
General adjusters for insurance companies
Northern Indiana, Southern Michigan and
Eastern Illinois.
201 Union Trust Building, SOUTH BEND
P. O. Box 617

IOWA

J. R. JONES
FIRE CASUALTY AUTO
401 Commonwealth Bldg. Market 230
DES MOINES

KANSAS

KINKEL ADJUSTMENT AGENCY
JOHN M. KINKEL W. P. KINKEL
Fire, Tornado and Automobile Losses
Adjusted
HUTCHINSON

**MoKanOkla Adjustment
Company**
Adjusters for Companies Only
605 Temple Building, Wichita, Kansas
309 Bonita Building, Kansas City, Missouri
517 Insurance Building, Oklahoma City, Okla.
640 Kennedy Bldg., Tulsa, Oklahoma

MICHIGAN

A. H. DINNING COMPANY
Insurance Adjusters
Automobile -- Fire -- Marine
944 Free Press Building
DETROIT, MICH.
Phone Randolph 0481

W. A. GIBSON COMPANY
ADJUSTERS
1305 Cadillac Square Bldg.
DETROIT
Fire, Auto, Burglary and Inland Marine

**WILSON S.
LEVENS**
AND COMPANY
ADJUSTERS
GRAND RAPIDS

MINNESOTA

LYMAN HANES, Inc.
General Adjusters for Insurance Companies
DULUTH, FARGO and MINNEAPOLIS

MAIN & BAKER CO.
General Adjusters
Minneapolis Duluth

MISSOURI

THOS. J. ENGLISH
Specializing on
AUTOMOBILE and CASUALTY
CLAIMS
Pierce Bldg. ST. LOUIS, MO.

T. A. MORREY
Adjuster for Fire and Casualty Companies
718 Pierce Building
St. Louis, Mo.

OHIO

S. R. LEWIS
204-8 Davis & Farley Bldg.
CLEVELAND
Tel. Main 167

**THAYER'S UNDERWRITERS
SURVEY COMPANY**
E. A. Thayer, Gen. Mgr. N. R. Thayer, Supt.
503-6 Finance Bldg., 750 Prospect Ave., S. E.
Phone Main 6956-6957 CLEVELAND
Specializing in the adjustment of automo-
bile losses and liability claims.
Investigators for the past twenty-five
years.

OKLAHOMA

THE FULLER ADJUSTMENT COMPANY
Prompt Adjustment Services
Provided in Oklahoma
Offices at
Oklahoma City Tulsa, Okla.
215 Merc. Bldg. 213 Atco Bldg.
Guy H. Fuller, Mgr. L. M. Hallock, Mgr.

PENNSYLVANIA

Tri-State Automobile Adjusters
WILLIAM A. McGUIRE, Manager
Inspecting, Adjusting and Investigations
for the Insurance Company
Jones Law Building - - PITTSBURGH

TEXAS

Bates Adjustment Company
"We have served the companies for
more than twenty-six years"
Offices: Oklahoma City, Oklahoma; Tulsa,
Oklahoma; Dallas, Texas; Abilene, Texas;
Amarillo, Texas; Tyler, Texas; and Wichita
Falls, Texas

JOHN BURKE
Insurance Adjustments
1424 KIRBY BLDG., DALLAS
Especially Qualified From Experience to
Handle Cotton Gins, Oil Field Properties
and Industrial Plants

G. H. MERCIER CO.
Insurance Adjusters
DALLAS & HOUSTON
Send Claim Files to 914 S. W. L. Bldg.,
DALLAS, TEXAS

WISCONSIN

Lee W. Bort, Inc.
Independent Adjusters
Home Office: Beloit, Wis.

**WILSON S.
LEVENS**
AND COMPANY
ADJUSTERS
MILWAUKEE

THOMAS T. NORTH
ADJUSTMENT COMPANY
Automobile and Side Line Losses
A Specialty
A. E. S. PRIOR, Mgr., Milwaukee Branch
301 Underwriters Exchange Bldg.
MILWAUKEE

NURNBERG-SCHIFFLER & CO.
General Adjusters
Underwriters Exchange Bldg.
MILWAUKEE
400 Broadway Phones-Broadway { 7316
7315

DAVID LAWSON
53 Merritt St. Phone 2991
OSHKOSH, WIS.



Insurance Attorneys



A Directory of Responsible Attorneys Specializing in Insurance Law

ARKANSAS

HORACE CHAMBERLIN
EXCHANGE BANK BUILDING
LITTLE ROCK, ARKANSAS

CALIFORNIA

JOHN L. DYER

Attorney

Specializing in all phases of Fire, Life and
Casualty Insurance Litigation
Suite 329 Citizens National Bank Building
LOS ANGELES, CALIFORNIA

FLORIDA

LYMAN M. BECKES

Attorney and Counselor at Law

ORLANDO, FLORIDA

Representing: American Automobile, American
Indemnity, Commercial, Continental, Em-
ployers', Georgia Casualty, Metropolitan, Pre-
ferred, U. S. Casualty, U. S. F. & G.; and
many others. Regular Claim Dept. Company
Trained Adjusters.

JACKSON, DUPREE & CONE

Citrus Exchange Building
TAMPA

ILLINOIS

ALFRED R. BATES

ATTORNEY AT LAW

189 W. Madison Street
CHICAGO

Frederick A. Brown

1518 Otis Building
CHICAGO

Cassels, Potter & Bentley

1060 The Rookery
CHICAGO

EKERN & MEYERS

Insurance Attorneys

208 So. La Salle St.
CHICAGO

HICKS & FOLONIE

231 So. La Salle St.
CHICAGO

Silber, Isaacs, Silber & Woley

Attorneys & Counselors

HOME INSURANCE BUILDING
CHICAGO

Special Attention to the Law of
Fire Insurance and Taxation

ILLINOIS (Con.)

JOHN E. CASSIDY
ATTORNEY

Facilities to attend Investigations,
Adjustments and Litigation in
Central Illinois

1004 Peoria Life Bldg. PEORIA

CHARLES S. ANDRUS

Attorney

Specializes in Casualty work, includ-
ing investigations.

614 First National Bank Bldg.
SPRINGFIELD

BROWN, HAY & STEPHEN

714 First National Bank Bldg.
SPRINGFIELD

INDIANA

S. BORTZ
LAWYER

620 Meyer-Kiser Bank Bldg.
INDIANAPOLIS, INDIANA

George A. Henry Delbert O. Wilmett

HENRY & WILMETH

Insurance Attorneys

504-5 Meyer-Kiser Bank Building

Indianapolis, Indiana

Specially equipped to handle

Investigations—Adjustments—Litigation

**Slymaker, Turner, Merrell,
Adams & Locke**

Attorneys specializing in All Phases of
Fire, Marine, Life & Casualty
Insurance Litigation
751-760 Consolidated Bldg.
INDIANAPOLIS

JOHN H. KIPLINGER

Lawyer

American National Bank Bldg.
RUSHVILLE

Specially equipped to handle insurance in-
vestigations—adjustments—trial work, par-
ticularly in southeastern Indiana.

IOWA

Jesse A. Miller
E. J. Kelly
Oliver H. Miller

I. D. Shuttleworth
J. R. McManus
Frederic M. Miller

Miller Kelly Shuttleworth & McManus
LAWYERS

1315-1318 Equitable Building DES MOINES

**Parrish, Cohen, Guthrie,
Watters & Halloran**

Attorneys and Counselors at Law
Register and Tribune Building
DES MOINES

KANSAS

HARRY W. COLMERY
612 New England Building
TOPEKA, KANSAS

MICHIGAN

Walters, Hicks, Carmichael & Head
(Formerly Henry C. Walters, and Walters
& Hicks)
ALL LINES
Represent Companies Only
916-20 Ford Bldg.
DETROIT

DUNHAM & CHOLETTE
ATTORNEYS AT LAW

1012-1016 Grand Rapids National Bank Bldg.
GRAND RAPIDS

LAURENCE W. SMITH

Attorney and Counselor

MICHIGAN TRUST BUILDING
GRAND RAPIDS

**THOMAS, SHIELDS
& SILSBEE**

LAWYERS

American State Savings Bank Bldg.
LANSING

MINNESOTA

ERNEST E. WATSON

All Lines

Represent Companies Only

Including Defense of Negligence

936 Andrus Bldg. Minneapolis

BUNDLIE & KELLEY

SAINT PAUL

SEXTON, MORDAUNT & KENNEDY
ATTORNEYS AND COUNSELORS

Adjusters and Investigators sent to any
place in the Northwest

1601 Pioneer Building
ST. PAUL

MISSOURI

COWGILL & POPHAM

Attorneys and Counselors at Law

Commerce Building
Kansas City, Missouri

MISSOURI (Cont.)

STRINGFELLOW & GARVEY
Donnell Court, ST. JOSEPH, MISSOURI

Attorney for: Aetna Life, Aetna Casualty &
Surety, American Surety, F. & D. of Md.,
Gen. Acc. Assur. Corp., Georgia Casualty,
Globe Indemnity, Independence Indemnity,
Preferred Accident, Royal Indemnity, Stand-
ard Accident, Union Indemnity, U. S. Auto,
Ins. Etc.

NEW JERSEY

SAMUEL M. HOLLANDER
COUNSELOR AT LAW

Chamber of Commerce Bldg., Newark, N. J.
Telephone 1140-1 Market

Specialist in the Law on Breach of Warranty
and General Insurance Cases

NORTH CAROLINA

CALE K. BURGESS

Insurance Investigations, Adjust-
ments and Litigation
RALEIGH

OHIO

Rees H. Davis Fred J. Young Clare M. Vrooman

DAVIS, YOUNG & VROOMAN
Attorneys at Law

General Insurance, Fire, Casualty & Surety
Practice. Also facilities for investigations
over Southern Ohio.
Guardian Bldg. CLEVELAND

JOHN H. McNEAL

Trial Lawyer

1367 E. Sixth St. Cleveland, O.
Representing—Continental Cas. Co.; Zurich
Gen. Acc. & Liab. Ins. Co.; Eagle Ind. Co.;
Central West Cas. Co.; New Amsterdam
Cas. Co.; Republic Cas. Co.; U. S. Guar.
Co.; Am. Guar. Co.; Ind. Co. of Am.; and
many others.

KNEPPER & WILCOX

Outlook Building
COLUMBUS

MATHEWS & MATHEWS

Attorneys At Law

25 North Main Street
DAYTON

DENMAN, MILLER & WALL

TOLEDO

Harold W. Frazer
Hampton G. Wall

John W. Winn, Jr.

Stanley J. Hiett
George R. Effler

R. W. Shumaker

H. T. Hanley

Frazer, Hiett, Wall & Effler
ATTORNEYS

Suite 716 Home Bank Building
TOLEDO, OHIO

Insurance ATTORNEYS

A Directory of Responsible Attorneys Specializing in Insurance Law

OHIO (Cont.)

Marshall, Melhorn, Marlar & Martin
1632 Spitzer Building
Edwin J. Marshall
Donald F. Melhorn
Thomas O. Marlar
Ray Martin
Albert T. Goorley
Elwyn G. Davies

TOLEDO

John A. Smith
Thomas J. Lynch
Leland H. Notnagel
C. A. Zinn
Henry R. Bloch
John M. Kiskadden

Arthur Morgan
Eraldine Maiden, Jr.
MORGAN AND MAIDEN
ATTORNEYS-AT-LAW
764-5 First National Bank Building
YOUNGSTOWN, OHIO

OKLAHOMA

CARL KRUSE
FRANK FRANTZ, JR.
309-11 American Nat'l Bank Bldg.
ENID, OKLAHOMA

Rittenhouse, Lee, Webster & Rittenhouse
American National Bank Bldg.
OKLAHOMA CITY

SOUTH DAKOTA

McNulty, Williamson & Smith
Lawyers
DAKOTA NATIONAL BANK BUILDING
ABERDEEN, SOUTH DAKOTA

BAILEY & VOORHEES
Charles O. Bailey
John H. Voorhees
Theodore M. Bailey
Ray F. Bruce
Melvin T. Woods, Jr.
Roswell Bottom
BAILEY-GLIDDEN BUILDING,
SIOUX FALLS,
INSURANCE PRACTICE.

KIRBY, KIRBY & KIRBY
Established 1886
Joe H. Kirby
Frank G. McCormick
L. C. O'Hara
Thos. H. Kirby
Paul L. Redfield
R. M. Dunn
Sioux Falls
General Counsel Western Surety Co.

TENNESSEE

WILLIAM HUME
NASHVILLE

WASHINGTON

ROBERTS & SKEEL
John W. Roberts
N. A. Pearson
D. D. Mote
Glen E. Wilson
E. L. Skeel
William Truscott
Elwood Hutcheson
Eugene F. Hooper
SEATTLE

WEST VIRGINIA

HARRY SCHERR
INSURANCE AND
CORPORATION LAW
(Member Firm
Vinson, Thompson, Meek & Renshaw)
Huntington, West Virginia

WISCONSIN

**RICHMOND, JACKMAN, WILKIE
and TOEBAAS**
ATTORNEYS-AT-LAW
Adjusters sent any place in Wisconsin
111 S. Hamilton St. MADISON

**STEPHENS, SLETTELAND
& SUTHERLAND**
Attorneys and Counselors at Law
Investigators and adjusters sent throughout state.
412-415 First Central Bldg.
MADISON

BLOODGOOD KEMPER & BLOODGOOD
380-384 East Water Street,
MILWAUKEE
Representing U. S. Fidelity & Guaranty
Company, Metropolitan Life Insurance Company,
Globe Indemnity Company

JAMES E. COLEMAN
5011 PLANKINTON BUILDING
MILWAUKEE, WISCONSIN
Insurance Practice 15 Years

Iowa National Fire Ins. Co.

Des Moines

**FIRE—LIGHTNING—TORNADO and
AUTOMOBILE INSURANCE**

An IOWA Company

For IOWA Business

IOWA Agents Wanted

PARLEY SHELTON
Honorary Vice-President

C. S. VANCE
President
C. M. Spencer, Vice-President and Secretary

FRANK P. FLYNN
Treasurer

You've heard it said that National Underwriter want ads are results-getters. **THEY ARE!**

of the Western Canada Fire Underwriters Association, James Smart, fire chief, and the president and secretary of the Alberta Insurance Agents Association.

O. E. Tisdale was elected as chairman for life of the association and James Cleave vice-chairman for the ensuing period. The executive committee elected includes C. E. Tait, H. L. Gillies, H. L. High and D. G. L. Cunningham. A golf tournament was proposed between the Calgary and the Edmonton agents, and this was arranged to take place the coming season at Red Deer.

Herring Heads Edmonton Agents

At the annual meeting of the Edmonton Fire Insurance Agents Association the following officers were elected: Chairman, Percy Herring; vice-chairman, H. L. McPherson, executive committee, George F. Downes, F. B. Matthews, K. W. Townshend and H. G. Atkinson. Among the visitors were A. H. S. Stead, secretary-treasurer of the Western Canada Fire Underwriters Association, and Henry Brace, superintendent of insurance of Alberta. Both gave addresses concerning the operations of their bureaus.

Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending Feb. 29 are estimated at \$229,100, as compared with \$435,000 for the corresponding week of 1927. From Jan. 1 to Feb. 29 fire losses in Canada are estimated at \$3,368,500, as compared with \$3,308,150 for the period from Jan. 1 to March 2, 1927.

Talks on Schedule Rating

Members of the Montreal Insurance Institute recently heard an address delivered by W. U. Dixon, assistant secretary of the Canadian Fire Underwriters Association, on "Fire Schedule Rating." Mr. Dixon said that the rates were roughly divided into two classes, one being flat rates on dwellings, certain classes of three year risks and the other, schedule rated risks. He gave detailed explanations on the various manufacturing and special hazards, construction of buildings and advised consultation with the Underwriters Association before erection of buildings in order to get full advantage of suggestions in regard to construction and protection, rather than wait for the building to be erected first and then confer about the rate for same.

Union of Canton Changes

Norman J. Ross has been appointed manager of the casualty department of

the Union of Canton at Toronto and W. T. Bleakley has been made superintendent of agencies. In the fire department E. M. Foote has been given the title of fire manager. Colin E. Sword is the Canadian manager of the company.

Charlebois Cuts Trip Short

B. A. Charlebois of Montreal, deputy most loyal grand gander of the Blue Goose, was forced to give up his trip through the United States portion of the west coast, as he was called home. He had gone as far west in Canada as Vancouver, and from there had intended to go south, visiting the ponds along the Pacific coast.

Form "Quack Club" in Alberta

CALGARY, ALTA., March 14.—The Alberta Blue Goose has formed what is known as a "Quack Club," within the organization. The purpose of the club is to study and practice the art of public speaking, not with the idea of developing orators of the ganders but to give them confidence and assurance to be able to talk before audiences if they are called upon. Meetings are to be held regularly on the second and fourth Fridays of each month.

Seize Car; Can't Collect Balance

A British Columbia court has handed down a ruling which is of interest to automobile underwriters. The ruling was to the effect that when a finance company has seized a car because of delinquency of payments and resold it, the concern could not sue for the amount of the uncollected balance. The judge in the case ruled that in performing this transaction the finance company had exercised ownership over the car. The amount the finance company had attempted to collect from the first vendee was the value of the car less the payments received and amount of the second sale.

Canadian Notes

The Federal of New Jersey and the American Automobile of St. Louis have ceased to transact business in the province of Manitoba.

The woodworking factory of Murray & Gregory at Marble Cove, St. John, N. B., was destroyed by a fire which broke out near the boiler house. The loss is estimated at approximately \$45,000.

Merger of the agencies of Waghorn, Gwynn & Co. and the Yorkshire & Pacific Securities Company, both old established Vancouver firms, has been completed. The amalgamation of the two offices under the name of Yorkshire & Pacific Securities Company was announced, with H. B. Holland and E. Spencer in charge.

MOTOR INSURANCE NEWS

RECOVERIES MADE EASIER

United States Supreme Court Ruling Says Repossessions May Be Made Under Some Conditions

NEW YORK, March 14.—Fire insurance companies as well as automobile financing concerns are interested in the recent decision of the United States Supreme Court holding in effect that cars when used without the knowledge of their owners for the unlawful transportation of liquor, may be recovered under certain conditions. At the present time the fire companies are able to secure from the Canadian government the return of cars seized in liquor transportation on proving title to the stolen machines and paying the seizure charges.

In the United States cars engaged in bootlegging previously have been confiscated by the authorities, and if recoveries were had at all it was only with the greatest difficulty. This condition will be improved considerably through the Supreme Court decision.

While most of the fire department at Excelsior, Minn., was attending a basketball game at a neighboring town, the Excelsior high school was destroyed with a loss of more than \$100,000.

FIX NEW TEXAS THEFT RATES

Insurance Board Approves Schedule for Ford and Dodge Cars and for Auto Accessories

AUSTIN, TEX., March 14.—The board of insurance commissioners has approved rates for new model Ford and Dodge automobiles, and also for the insurance of automobile accessories. New rates on Fords will be lower for theft and slightly higher on fire insurance, while practically the same rates will prevail for Dodge cars.

The new fire insurance rate for Fords is \$1.40 per \$100 valuation, the old rate being \$1.20. Theft policies will be written at \$1 in cities and 75 cents in country sections, while old rates were \$3.50 and \$2, respectively.

New fire insurance rates for Dodge cars will be 70 cents per \$100, against an old rate of 72 cents. Theft rates will be 50 cents in cities and 25 cents in country, as compared with old rates of 52 cents and 28 cents. The foregoing rates apply to the new four-cylinder cars, while Dodge sixes will carry the same rates as applied to that general class of cars.

A decision on the uniform policy form was postponed by the commission to

Standard Fire Insurance Policy
 Expires—Jan. 1, 1928
 Property, Building & Marine
 Annual Premium—\$12,000.00
 John G. B. Smith, Agent
 No. 1854

THE PHOENIX INSURANCE COMPANY
 OF HARTFORD CONN.

TIME TRIED AND FIRE TESTED
 SINCE 1854
THE PHOENIX INSURANCE COMPANY
 of HARTFORD CONN.

FOR THE UP TO THE MINUTE AGENT

Colors
 Blue
 Red
 Green
 Gold



Any
 Design
 Any
 Shape

ORDER YOUR NEXT SUPPLY
 FROM DAVENPORT-TAYLOR MFG. CO., 412 ORLEANS ST., CHICAGO
 OR FROM THE NATIONAL UNDERWRITER, CHICAGO

R. M. BISSELL, President

WILLIAM WALSH, Secretary

TWIN CITY FIRE INSURANCE COMPANY

MINNEAPOLIS, MINNESOTA

The Company That Aims to Excel in Service

**FIRE TORNADO FARM
 HAIL AUTOMOBILE TRACTOR**

F. R. Ormsby, Pres.

G. E. Hutchings, Secy.

C. J. Kepler, Treas. and Asst. Secy.

Industrial Fire Insurance Co.

Akron, Ohio

January 1, 1927

Capital \$300,000

Surplus to Policyholders \$545,303.09

Total Admitted Assets \$1,345,456.84

An Ohio Company writing Business through Ohio Agents. Why not represent an Ohio Company?

AGENTS WANTED!

GEO. M. EASLEY

HAL V. HAYS

GEO. M. EASLEY AND COMPANY

GENERAL AGENTS—DALLAS

"HE PROFITS MOST WHO SERVES BEST"

Boston Ins. Co.
 Pittsburgh Underwriters
 Patriotic Insurance Company
 Federal Ins. Co. of Jersey City
 Globe Indemnity Co. New York
 Fire & Marine Und. Agency of Automobile Ins. Co. of Hartford

give more time for studying the forms presented for approval.

Rates which had previously not been filed were approved for automobile accessories. Application of dealers' collision rates were defined by naming respective Texas cities instead of the old basis of population.

The board also interpreted the rule concerning minimum premium charges for fire and theft so that it would be understood that this charge applies to policies and not to cars.

Theft rates on the new Ford cars are very similar to those in force in the surrounding states.

May Enter California

SAN FRANCISCO, March 14.—Proposing to enter the insurance business as state agent for the State Farm Automobile of Illinois, the California Farm Bureau Federation is soliciting its individual members and those of the various county farm bureaus for automobile insurance. Although the company has not yet applied for a California license, the circular distributed states that it intends to enter California and that a contract has been made whereby the members of the various farm bureaus in the state will receive insurance on their automobiles at a special rate.

It was reported at the insurance department of California that nothing has been received from the Illinois organization and that the statements of the California Farm Bureau Federation are being investigated.

Local agents of California, who have been informed of meetings in many sections of the state, are organizing to combat the invasion of any outside mutual or reciprocal.

Form Coast Clearing Association

PORTLAND, ORE., March 14.—A number of the leading automobile specialty companies operating on the Pacific Coast have formed the Insurance Credit Clearing Association.

The objects of the association are: To establish and maintain an association,

not for pecuniary gain or profit but to promote and protect the best interests of its members; to provide ways and means to curb the flat cancellation evil; to educate brokers, agents and the insuring public in the better ethics of the business and in the rights of the companies as well as those of the brokers and agents.

Wolverine Enters Wisconsin

LANSING, MICH., March 14.—Wisconsin territory is to be opened up immediately by the Wolverine of Lansing, exclusive automobile-writing company. The company is planning immediate establishment of an office at Madison from which the entire state will gradually be organized. C. E. DeKam, who has been representing the Wolverine at Battle Creek, is being sent to Madison to take up this task.

Cooperation Plan to Be Made

NEW YORK, March 14.—When the governing committee of the National Automobile Underwriters Conference meets here on March 22, it is expected details will be worked out for close cooperation between the organization and National Automobile Theft Information Bureau in the exchange of information for use in the recovery of stolen automobiles. The general proposition has been under review for some months, and has now reached a point where a definite agreement can be entered into, and a plan of procedure defined.

Mill Mutual Men Elect

P. R. Gable of Harrisburg, Pa., was elected president of the Mill & Elevator Field Men's Association at the annual meeting in Chicago. Other officers elected were: P. S. Rexford, Wichita, Kan.; H. C. Lee, Mutual Fire Prevention Bureau, Chicago, secretary; A. R. Schroeder, Chicago, treasurer.

The annual meeting of this organization usually takes the form of experience and educational sessions. This year about 80 men from all sections of the United States attended. The only outside speakers on the program were A. B. Husband, Millers National Federation, and C. S. Clark of the Grain Dealers Journal.

MARINE INSURANCE NEWS

EXPRESS SHIPMENTS FIELD

Local Agents Can Develop Income from Department Store Merchandise Coverage

Another important inland marine form which local agents can write successfully and on which they can develop a considerable premium volume is the department store merchandise form which is attached to the annual transit policy. Its principal use is in covering express shipments of merchandise. As it covers from door to door it affords the merchandiser full transit protection. Another feature is that it relieves the consignee of all the detail of filing claims for losses, as the company issuing the form takes over this detail by taking subrogation against the express company.

Protects Up to \$50

The regular express company form affords protection in the amount of \$50 and for the remainder of the value of merchandise the express company rate is \$.10 per \$100 to value. The inland marine form covers express shipments at \$.05 per \$100. On merchandise of value \$1,000 the difference in the two forms would be the difference between the express company's \$59.50 and the inland marine company's \$50, or \$9.50.

In the event of a loss the inland marine carrier settles the assured's claim and then deals with the express company to recover on the loss. Meantime the merchandiser has received the amount of his claim and is relieved of further concern in the matter, which becomes a deal between the express company and insurance carrier.

MUST BE FINISHED APPAREL

Policy Covering "Men's Clothing" Does Not Cover Loss of Cut Goods

Policy covering "men's clothing" held not to cover loss of cut goods before manufactured into clothing.—In Rosenberg vs. Globe & Rutgers Fire, Supreme Court, Appellate Division, New York, 225 N. Y. S. 545, the defendant issued policy to the plaintiff under the terms of which "men's clothing" was covered from the perils of transportation and theft. The plaintiff, as was its custom, shipped certain cut goods with the necessary trimmings from New York to Philadelphia where they were to be manufactured into clothing. The shipment was lost in transit, and the plaintiff sought to recover under its policy.

The defendant denied that the cut goods constituted "men's clothing" within the terms of the policy. The trial court rendered judgment for the defendant. On appeal the higher court, with however two justices dissenting, in affirming this judgment, said:

Define Term

"The goods lost were not covered by the policy in question, which, as noted, covered only men's clothing. The mere addition of the words 'in transit' does not extend the ordinary meaning of the words used in the policy describing the articles insured. The words 'men's clothing' have a well-recognized meaning, namely, men's finished outward wearing apparel.

"Such shipment is a different shipment from shipping a bundle of buttons and a bundle of trimming and a bundle

of piece goods cut in certain lengths and patterns. The plaintiffs themselves describe the goods as 'cut goods' in their proof of loss. The goods could not even be said to be substantially manufactured into men's clothing, since approximately five-sevenths of the cost of manufacture had not yet been completed.

"It follows that the articles lost were not what was insured, and it is unnecessary to consider the other grounds urged to sustain the judgment. The judgment appealed from should be affirmed, with costs."

Hold "Insurance Day"

NASHVILLE, March 14.—Conforming with the proclamation issued by Governor Horton, designating March 21 as "Insurance day," the Nashville Chamber of Commerce has set aside its regular forum meeting on that day for the discussion of insurance. Thomas R. Preston of Chattanooga, president of the Hamilton County National Bank, will speak on this subject.

COMPANY IS HELD LIABLE

Fact That Claimant Was Known Under Two Names Held Not to Void Policy

Verdict for the plaintiff in an interesting case involving an all-risk floater was returned in the Supreme Court of Westchester county, N. Y. Briefly the facts were: Lavina W. Reddin obtained an all-risk jewelry floater policy in the Great American. It was obtained under the name of Lavina W. Haughton, by which name the woman also was known. While she was traveling between Chicago and New York she lost a diamond pin and a diamond brooch. She immediately filed claim, but after investigation the company declined to pay on the ground that there was no such person as Lavina W. Haughton.

At the trial it was disclosed that the assured before her marriage to one Mr. Reddin was the widow of one William

Haughton. Shortly after her marriage to Mr. Reddin she and her husband separated and thereafter she used the name Lavina Haughton and by this name was known among her friends, business associates and tradesmen. At her attorney's request the court charged the jury that "the real plaintiff without abandoning her real name might adopt any name, style or signature wholly different from her own name by which she might transact business, execute contracts, issue negotiable paper and sue or be sued, and that she had a right to adopt and use any name that she pleased without any order of the court authorizing her to do so."

The court further declared the law to be that if the insured, when she applied for the policy, had assumed and acquired the name of Lavina W. Haughton and regarded that as her name and if her acquaintances knew her by that name to such an extent that the jury confined that it was her intention that she should be known by that name, then the repre-

sentation to the insurance company that her name was Lavina W. Haughton would not be false nor would the plaintiff had committed any fraud upon the insurer.

MISSOURI RATE CASE

INJUNCTION POSTPONED

KANSAS CITY, MO., Mar. 14.—The argument for a permanent injunction in the Missouri fire insurance rate cases set here for Mar. 10, did not come up as Attorney Floyd Jacobs, one of the defense lawyers, filed in the court of Judge Otis at Jefferson City, a notice to the effect that the defense will call him as a witness. Judge Otis has made an order disqualifying himself as judge. This will make it necessary for Judge Sanborn, of St. Paul, to designate some other judge to take the place of Judge Otis. It may be several weeks before the hearing is held. There will be three judges to sit on the case.

AMERICAN AUTOMOBILE INSURANCE CO.

ST. LOUIS

L. A. HARRIS, President

Financial Statement—January 1st, 1928

ASSETS

Public Utility Bonds.....	\$ 2,286,200.00
Industrial Bonds	2,016,900.00
Railroad Bonds	1,353,900.00
U. S. Government Bonds.....	186,900.00
Stocks (R. R. Pub. Utility & Industrial).....	1,888,600.00

Total (Ins. Dept. Valuation).....\$ 7,732,500.00

Premiums in Course of Collection.....	1,466,231.08
Cash in Banks.....	1,015,261.00
Accrued Interest	61,239.55

Total Admitted Assets.....\$10,275,231.63

LIABILITIES

Reserve for Unearned Premiums.....	\$ 3,656,191.40
Reserve for Liability Claims (N. Y. Law).....	2,254,693.65
Reserve for Other Claims.....	362,349.51
Reserve for Commissions (not due).....	383,468.76
Reserve for Taxes.....	224,872.49
Reserve for Claim Expense.....	72,469.90
All Other Liabilities.....	60,248.94
Capital Stock	\$1,000,000.00
Surplus	2,260,936.98

Surplus to Policyholders.....3,260,936.98

Total Liabilities.....\$10,275,231.63

SURPLUS TO POLICYHOLDERS OVER.....\$3,250,000.00

NET PREMIUMS WRITTEN IN 1927.....7,279,000.00

ALL KINDS OF INSURANCE ON AUTOMOBILES EXCLUSIVELY

1819

109 YEARS' CONTINUOUS OPERATION

1928

GENERAL FIRE ASSURANCE COMPANY

OF PARIS, FRANCE

FRED S. JAMES & CO., U. S. Managers

Head Office
149 William Street
NEW YORK

Western Department
175 W. Jackson Boulevard
CHICAGO

Pacific Coast Department
108-110 Sansome Street
SAN FRANCISCO

International **INDEMNITY COMPANY**

Casualty Insurance

HOME OFFICE LOS ANGELES, CALIFORNIA



**ORGANIZED
1911**

MAX. E. HAYWARD
President

TO continue the high standard of service which is our aim we are opening a branch office in Chicago, March 15, 1928. Through this office our facilities will be increased for promptly serving our Illinois representatives in all branches of underwriting, claims investigations and adjustments.

J. M. HOGLE, Resident Manager
W. J. FENLON, Ass't Res. Mgr.

A-1532 Insurance Exchange
175 W. Jackson Blvd.
CHICAGO, ILLINOIS
Wabash 5203

The International Indemnity, writes Automobile—all forms—Accident, Health, Plate Glass, Teams, Elevator and General Liability. Write J. M. Hogle for desirable agency and Brokerage connections.

The National Underwriter

March 15, 1928

CASUALTY AND SURETY SECTION

Page Forty-five

CASUALTY AND SURETY COMPANIES INCREASE

Since 1912 Total of 22 Organizations Is Formed in New York State Alone

ONE RETIRES; ONE DIES

Majority of New Corporations Have Added to Their Capital and Are Actively Operating

NEW YORK, March 14.—In the last 16 years no less than 22 casualty or surety companies have been incorporated in this city. All but two of the number now are in active operation. In addition the Suburban Casualty, Franklin Surety, Transportation Indemnity, and the Greater City Surety & Indemnity are in process of formation, and will likely get under way in the near future, assuming, of course, that each raises the capital necessary to secure a license from the insurance department.

The great activity in insurance stocks during the last 12 months and the general assumption that there is "money in the casualty business" is responsible to a considerable degree for the launching of new enterprises. The method now employed in raising capital for insurance companies is to induce banking firms to underwrite the entire proposition, the bankers then undertaking to sell the stock to their customers, which, seemingly, they have no great difficulty in doing. All advertised offerings of this character are made subject to the supervision of the insurance department, which assures that no extravagant statements are made as to prospective values, and that the price at which the stock is offered to the public is a reasonable one and is not loaded for an undue profit to the bankers.

New Companies Listed

The institutions that have incorporated in this state since 1912, and their respective initial capital, are as follow: In 1912, Capital City Surety, \$100,000; 1914, General Indemnity, \$200,000; 1915, London & Lancashire Indemnity, \$750,000; 1916, Hartford Live Stock, \$200,000; Norwich Union Indemnity, \$500,000; 1920, Columbia Casualty, \$800,000; Chubb & Sons Indemnity, \$350,000; 1921, General Casualty & Surety (now the General Reinsurance Corporation), \$800,000; New York Indemnity, \$250,000; 1922, Phoenix Indemnity, \$500,000; Eagle Indemnity, \$750,000; Sun Indemnity, \$600,000; 1924, Equitable Surety (now the Equitable Casualty & Surety), \$250,000; 1926, Great American Indemnity, \$1,000,000; Yorkshire Indemnity, \$300,000; 1927, Glens Falls Indemnity, \$750,000; Northeastern Surety, \$250,000; Seaboard Surety, \$1,000,000; 1928, General Surety, \$2,500,000; Merchants Indemnity, \$400,000; Guardian Casualty, \$1,000,000.

A number of the institutions named above have since materially increased

MUTUAL MEMBERS MUST PAY THEIR PREMIUMS

FAILURE IS NOT AN EXCUSE

Integrity Receiver Sends Out Letter Demanding Settlement from Policyholders—Cites Court Ruling

Clarence F. Buck, receiver of the Integrity Mutual Casualty, has begun stronger efforts to collect premiums of members that were unpaid at the time the company failed. A mutual receivership differs from that of a stock company in that the members do not get their premiums back if paid and if unpaid they must still pay the premium even though the company has gone out of business. This rule has been explicitly laid down in court decisions, one of which is quoted in a letter just sent out by Receiver Buck. The letter, headed "Members Must Pay," is as follows:

Cites Clear Court Case

"You must pay the full year's premium on a policy of insurance which the Integrity Mutual Casualty Co. issued to you. As a policyholder you were a member, as a member you are liable.

"Even though the policy you held did not afford you coverage after May 29, 1926, and even though you were obliged to take out other insurance you still must pay the full year's premium.

Cannot Cancel Policy

"The United States District Court has also held that you cannot cancel your policy in a mutual company after the company is in fact insolvent and thereby avoid your liability as a member.

"The following is one of many decisions on this question:

"The promise of a policyholder to pay premiums for one year constitutes his contribution to the capital of the insurance company and he is liable for the full amount, if necessary to pay creditors, and cannot, by cancelling his policy, avoid payment of the remainder of his year's premium.

"Illinois Coal Operators' Mutual Insurance Company versus Chicago W. & C. 217 Ill. App. 625."

"A statement of your account is enclosed herewith and I shall expect your check promptly.

"Very truly yours,

"(Signed) Clarence F. Buck,
"Receiver."

their capital accounts. The Chubb & Sons Indemnity never became active and went into liquidation.

New Capital Attracted

By virtue of the large incomes to be derived from the casualty and surety fields and the realization that the surface of its possibilities has scarcely been scratched, new capital has been attracted to the business. It is a fair assumption that it will continue to be so drawn in future, notably for the surety and fidelity lines, divisions of underwriting that thus far have proved far more satisfactory than have the strictly casualty lines.

TELLS HOW COMPENSATION RATES ARE DETERMINED

PROCESS TAKES LONG TIME

Manager W. N. Magoun Reviews Work of Massachusetts Rating and Inspection Bureau

BOSTON, March 14.—An interesting review of the work of the Massachusetts Rating and Inspection Bureau, which makes the workmen's compensation rates, was given the engineering section of the Massachusetts Safety Council this week by Manager W. N. Magoun of the bureau. Mr. Magoun's talk was, in part, as follows:

"I am not going into the technical side of rate making at this time, but I mention it as one of the inevitable expenses incident to distributing the compensation payments. It involves statistical work, collecting, sorting, tabulating and studying the data, but we must do it in order to distribute the cost as equitably as possible among those who must pay.

Make Advance Estimate

"Having established the price to charge, the insurance companies must see to it that the charge is applied against the proper unit, that is, against the right payroll as developed during the year. The premium at first collected is based upon an advance estimate. If business falls off and less payroll is expended, then the employer is entitled to a return; and vice versa if the payroll turns out to be larger than the original estimate the insurance company is entitled to additional premium. The exact amount to be paid therefore can only be determined at the end of the year, and in finding out what it is, the companies must maintain a large payroll audit department with field men who visit the employer wherever he may be, whether in Pittsfield or Provincetown. Here then we have another inherent cost, vital and important, and claiming its share of the dollar which the employer pays for his insurance. I need mention only the fact that the commonwealth collects a tax of 2½ cents on every dollar of premium, to show you where some more of the premium goes.

Cost of Distribution

"Next consider for a moment the cost of distribution. There is no argument as to the necessity of paying the money where it ought to be paid and not elsewhere. Hence we have the claim department, which must verify the claims and

(CONTINUED ON PAGE 60)

HEALTH & ACCIDENT CONFERENCE MEETING

Mid-Winter Gathering Held in Chicago Considers Important Topics at Round Table Sessions

FEW PREPARED ADDRESSES

Two Days of Business Talks, With "Accident and Health Agent" and "Policy Contract" Featured

Discussions of "The Accident and Health Agent" and "The Policy Contract," two topics of major interest to the business, constituted the most important feature of the mid-winter meeting of the Health & Accident Underwriters Conference, held in Chicago this week. There was only one formal address scheduled at each session, all the rest of the time being devoted to the round table discussions. It was decided at the last meeting of the conference that the mid-winter gatherings hereafter should be strictly business sessions, and in accordance with that program the meeting this week was devoted to two solid days of consideration of questions of importance to accident and health companies with all social features eliminated.

Allen D. Albert Is Speaker

At the opening session Tuesday morning, with President J. W. Scherr of the Inter-Ocean Casualty in the chair, the conference members were welcomed to Chicago by R. W. Stevens, president of the Illinois Life. Aside from the presentation of committee reports, the only other feature of that session was the address by Allen D. Albert of Evanston, Ill., past president of Rotary International, on "The Social Aspects of Accident and Sickness Insurance."

Dr. Albert particularly stressed the necessity for remembering that ill health and accidents are not individual catastrophes, but have an effect on the whole social fabric that is hard to estimate. Aside from the direct effect on relatives and friends, he showed that in the first place the disability of an employee means in almost every case a loss to the employer, and further that the reduction in purchasing power and expenditures along various lines carries so far that it is difficult to find the last link in the chain. He pointed out, therefore, that the necessity for insuring against this loss is more important than any other.

Four New Members Admitted

Four new companies were admitted to membership in the conference, the Chipewa Valley Casualty of Milwaukee, Century Indemnity of Hartford, Great Western of Des Moines and Mountain States Life of Hollywood, Cal., bringing the total membership to 100.

Herman L. Ekern, former insurance commissioner and attorney general of Wisconsin, who was in attendance at the meeting, was called on for a short

HEALTH & ACCIDENT NUMBER

The detailed account of the mid-winter meeting of the Health & Accident Underwriters Conference, held in Chicago this week, together with the addresses given at that meeting, will be given in a special edition of The National Underwriter, issued immediately after the conclusion of the meeting, and sent to all subscribers of the paper.

talk at the close of the morning session, as was James Victor Barry of the Metropolitan Life, former Michigan Commissioner.

The attendance at this meeting was probably the largest recorded at a conference session. Because of the stress laid on agency questions at this meeting, company executives were urged to have some of their leading agents in attendance, and as a result there were more representatives of the agency force on hand than ever before.

Salesman of the Future

The afternoon session was devoted entirely to the general theme, "The Accident and Health Agent." The subject was introduced by an address by Armand Sommer, manager of the accident and health department of the Standard Accident in Chicago, on "The Future Accident and Health Salesman." Mr. Sommer held that any discussion of the salesman of the future necessarily involves a consideration of the future of the business itself. He spoke of the development of a higher type of salesman in recent years and the perfecting of the policy contract, referring especially to the extension of coverage to include airplane travel, which was classed as an important factor in the development of aviation itself in this country. He also spoke of the great possibilities for business accident and health insurance, along the line which life insurance salesmen have developed so successfully in business life insurance.

He referred to the present unsatisfactory situation in regard to health insurance and the lack of a complete program of income protection because of the unwillingness of some companies to write health insurance under present conditions. He suggested that some sort of survey should be made to determine if possible what can be done to improve conditions in this field.

Faulkner Leads Discussion

F. L. Barnes of the Sentinel Life presided at the round table discussion, and E. J. Faulkner of the Woodmen Accident introduced the first topic, "How is effective supervision of the accident and health agent best accomplished?" He said that in a general way the system that provides the least supervision is the best. He referred to the need for some reforms within the business itself as essential to head off undesirable regulation from other sources.

Mr. Faulkner said that the selling angle is not the only one to consider, but making the business stick. Referring to the use of sales stimuli, he held that there is an advantage in bonuses and prizes, but said his company is making such awards on a point basis, giving credit for advance payments as well as the mere taking of the application.

Agents Take Part in Discussion

His suggestions brought out some very interesting discussion, the participants including Dr. Ira C. Fisher of the Ohio State Life, F. M. Feffer of the Abraham Lincoln Life, "Count" Mueller of Madison, Wis., state manager of the Southern Surety; State Manager Johnson of the Inter-Ocean Casualty in Chicago; S. R. Orwall, Chicago manager of the Mutual Benefit Health & Accident and A. F. Wine, field supervisor Great Northern Life.

The discussion on "The accident and health agent from a claim adjuster's viewpoint," was introduced by Edgar Harold of Chicago, claim representative of the Pacific Mutual Life. Mr. Harold emphasized the necessity for cooperation between all departments, outlining some of the essentials for both the claim man and the agent. On the agent's side, he stressed particularly the necessity for a thorough knowledge of his contracts and getting all the facts at the time the application is secured, stating that this will do more than anything else to make the adjuster's work easier.

This topic also brought out some interesting discussion from the agent's standpoint by Fred Fleischer, Chicago,

CASUALTY BUSINESS IN NORTH DAKOTA GROWING

AUTO LIABILITY TAKES LEAD

Many Agencies Show Much Greater Gains in Casualty Lines Than in Fire Insurance

FARGO, N. D., March 14.—The writing of casualty insurance in North Dakota has been marked by a steady increase for several years past, according to heads of larger insurance agencies operating in the state. One of these agencies with headquarters in a city of 30,000 population is now writing close to \$440,000 in premiums. An interesting figure in connection with this agency, which has been established for 47 years, is that in 1911, \$4,176 was written in casualty premiums while in 1927 it wrote \$131,000. The fire premiums in 1912 amounted to \$68,437; in 1927, \$85,000. This same rapid growth of the casualty and bond business is noted in other agencies, with a similar dropping off of the fire insurance business. It is the general belief that agents are paying at least as much attention to casualty as they are fire, and of course a few years ago the preponderance was very much in favor of fire.

Auto Liability Best Line

Automobile liability insurance is the line which goes over with the most pronounced success. This is general over the whole state, according to general agents in towns, cities and rural communities. Only within the past few years has the public come to realize the great advantage of this insurance. With the increase of claims there has been the expected loss ratio. Property damage insurance also has increased.

Under the North Dakota compensation act, this form of insurance is a state fund monopoly. At the last session of the legislature an attempt was made by the old line companies to get a bill through making it competitive. The bill passed both houses but was vetoed by the governor. Great hope is held by these companies to make the act competitive at the next session. The state also writes the bonds for all public officials.

Burglary Business Satisfactory

With regard to burglary insurance, North Dakota formerly had a bank mutual burglary and bond company, which was reinsured about a year ago. At the time it reinsured one of the prominent national banks in the state had policies in two stock companies and one in the mutual. A loss occurred a year ago in October, and it has not yet collected the amount of the claim. The banks of North Dakota are good carriers of burglary insurance and, since the mutual has quit this line, it is controlled by stock companies and is reported as very satisfactory business. Burglary insurance on residences, safety deposit boxes and safe and holdup insurance is generally carried in the larger towns and is comparatively easy to sell. This also applies to check forgery. The principal handicap is a lack of sufficient number of outstanding examples to bring this before the public.

Plate glass insurance has fallen off on account of the rates being out of proportion to the cost of replacement. Recently the rates have been reduced and an increase in this line is anticipated.

Reciprocity and mutuals seem to have little bearing in competition, although one large agency reports that it is noticed somewhat.

general agent of the Abraham Lincoln Life, D. A. Drury, Massachusetts Accident in Chicago, and A. F. Wine, field supervisor of the Great Northern Life. H. S. Bean of the Eastern Casualty and C. O. Pauley of the Great Northern

(CONTINUED ON PAGE 60)

REFUSE COMMISSIONER'S REQUEST FOR "ABEYANCE"

WILL NOT USE OLD RATES

Companies Reply to Official in New Hampshire Auto Liability Rate Investigation

CONCORD, N. H., March 14.—Companies selling automobile liability insurance in New Hampshire notified Commissioner John E. Sullivan this week that they could not accede to his request, following a recent hearing, that they hold in abeyance the increase of approximately 23 percent in premium rates for the present year. Albert W. Whitney, acting general manager of the National Bureau of Casualty and Surety Underwriters, personally handed the report to the commissioner.

Commissioner Sullivan called the casualty company representatives to Concord a few weeks ago and demanded that they bring with them the complete experience of the companies as regards automobile liability insurance business in his state. A two days' hearing was held, at which time the companies showed the impossibility of presenting the evidence called for immediately, but offering to furnish it eventually if desired. After two days of arguments the conference was closed by the commissioner with a request that the company representatives seek to have the rates in force previous to Dec. 12 kept in force, and the increase held in abeyance until later investigation could be made.

Will Cooperate

The answer of the companies said in part: "In the letter sent to the commissioner today, the companies renew their offer to furnish all information desired and to cooperate in every way in their power to make his investigation thorough and satisfactory. The companies assert their confidence in the reasonableness of the rates now in force, that a thorough investigation will confirm their position, and inability to hold the new rates in abeyance pending the investigation."

The National Bureau letter, delivered to the commissioner by Mr. Whitney, stated:

"You have commented on the fact that rates in New Hampshire are materially higher than in certain other parts of the country. If and when your actuary reviews the data at this bureau, he will find that, whatever the reasons may be, it is a fact that the 'loss cost' per car insured in New Hampshire is higher than the loss cost per car in the localities you have cited. There are other parts of the country where rates are materially higher than they are in New Hampshire and where it might be said on superficial examination that such should not be the case. Automobile rates are, however, predicated upon the experience of the locality, and the difference is, therefore, only a reflection of the differences in experience."

Conscientiously Developed

"It is the unanimous opinion of the members of this bureau that we cannot hold the new rates in abeyance pending the investigation you wish to make. The present rates have been conscientiously developed. They reflect the experience and the new rates are no more than adequate, from our knowledge of the business, which has been gained over a period of many years. They were determined by a method that has received the general sanction, not only of the insurance carriers of the country, but also of state officials. This bureau is under the supervision of the New York insurance department, and its automobile rate-making methods have within a year been the subject of a painstaking investigation by that body."

"Finally, may we say that we recognize your sincere desire to protect the automobile owners, we believe you wish to

VICE-PRESIDENT IVES MAKES VIGOROUS SPEECH

ATTACKS PUBLIC OWNERSHIP

Casualty Information Clearing House Officer Addresses Public Utilities Men at Springfield, Ill.

Henry S. Ives, vice-president of the Casualty Information Clearing House, delivered a vigorous speech before the joint convention of the Illinois Gas, Electric, and Railway associations at Springfield, Mar. 14. Mr. Ives spoke on "The Santa Claus Idea of Government." He said that the continued agitation for government ownership and control of industry is the outgrowth of the old creed of autocratic paternalism which exalted the state not only as a lawgiver but also as a job giver and income producer. Gift government always has been popular among certain classes, says Mr. Ives, and getting something for nothing never loses its appeal. Mr. Ives further said:

Faced With Problem

"It so happens that I represent a large number of the leading stock casualty insurance companies of this country. We are face to face with this government ownership problem. In 16 states workmen's compensation insurance is now being written in so-called state funds in competition with or to the exclusion of private companies. Despite the fact that this type of government ownership has proved a striking economic and social failure—evidenced by the fact that in the nine states where competition is permitted the private companies write 85 percent of the business and the state funds only 15 percent, notwithstanding a substantial saving in rates—attempts are being made to extend it to other lines, such as automobile liability insurance and the like. Two states, Wisconsin and Massachusetts, also have life insurance funds, and in several states and municipalities the government ownership idea has been expanded to include funds for insuring public buildings against fire and for the bonding of public officials. The disastrous experience of several of the western states with hail insurance is well known."

"I can assure you that the sound stock companies writing casualty and surety lines will do all in their power to legitimately assist in preserving the integrity of all privately conducted business enterprises. We are with you in this fight against government ownership. This is a duty we owe not only to ourselves but to our policyholders who have such a vital interest in the solvency of invested reserves. It is indeed just as much the duty of the institution of insurance to shield the funds with which it has been entrusted against the menace of confiscation by the disciples of political and economic chaos as it is for it to protect these funds against burglars and embezzlers."

assure to the insurance carriers adequate premiums for the hazards they assume. The members of this bureau are willing to cooperate with you in every possible way to accomplish these purposes you have in mind. They are as essential to us as to the people of New Hampshire."

Charles W. Varney, of Rochester, N. H., president of the New Hampshire Association of Insurance Agents, expressed the approval of the agents' association on the position taken by the companies.

The average increase under the new rates for automobile liability cover is 23 percent for Manchester, Nashua and Concord, and 19 percent for the remainder of the state, except Portsmouth, Dover and Keene districts, where there was a reduction of between seven and eight percent.

It is understood the companies have expressed their willingness to consider revision of territorial classifications within the state.

LOCAL AGENTS BUSY WRITING CASUALTY

Necessity and Desire for Business
Increases Result in Growing
Activity

COMPANIES ARE PLEASED

Home and Branch Office Representa-
tives Report That Present Trend
Is Toward Further Gains

Local agents in many parts of the country have materially increased their casualty writings in the last six months, partly through necessity and for the rest from the natural desire to show a gain in business every year. Not all local agents have been as diligent as they might have been and not all of the casualty lines have been pushed. But many casualty managers report satisfaction with the quantity of business developed by the local men in recent months, and report also that the present trend is toward still better gains this year.

Surety lines are still mysterious to the majority of the local men in certain sections of the country. In some of the second and third class cities some of the agents develop fair quantities of the more well understood surety lines, such as contractors' bonds, bank business and completion and maintenance bonds. Fidelity business, however, is still a matter for branch office or home office representatives to deal with.

Compelled to Develop Casualty

Much, if not all, of the good fire business of the country has been written. Therefore, to place fire business that is not considered of the best, local agents have been compelled to develop casualty business to place with the companies with which they try to place their fire business. Fire and casualty company joint ownerships and reciprocal agreements are now so numerous that many agents can place not only automobile fire and theft with one pair or group of companies, but also the other casualty lines, and even accident and health business.

Further, in many of the small towns the agents do not have access to so many of the so-called miscellaneous fire lines as agents in the first class cities have. In the towns with populations from 5,000 to 20,000 the amount of fire business is sharply limited, but the agents have plate glass, residence and commercial burglary, automobile property damage and public liability, general liability for building owners, contractors' bonds and numerous other lines to write, and in many places are creditably busy in developing these lines.

Compensation "Forcing" Line

Compensation also has become one of the "forcing" lines. Many companies will not take a compensation line from an agent unless the agent will deliver other business in such quantity that the compensation represents not more than 20 or 25 percent of the total. And since the compensation business may mean a large piece of money for the agent, he develops and offers enough other business from the buyer of the compensation to make the offer attractive to a company.

Plate glass coverage is sold by local men only to about half the quantity available, most companies writing the line report. Some of the companies are at present urging their local men to concentrate on this business in order to restrict the activities of the local mutuals, which in some sections have become very numerous in the last year,

MEANS FOR OBTAINING BUSINESS PLENTIFUL

COMPETITION CAN BE MET

Offers Made by Foreign Companies
Operating in the United States
Are Easy to Equal

American surety companies are pointing out to their agents that since Lloyds of London and similar organizations are seeking surety business in the United States it is necessary that the American agent have at his fingertips the arguments necessary to combat the competition that is offered. One very forceful argument is that the total assets of all the American companies doing surety business must be deposited in banks before they go into investment and after they go into investment in American institutions, a great number of which are the banks themselves, they again find their way into other banks in the form of deposits. In view of this fact, the agent need only point out, it is unreasonable in the extreme that a bank place its blanket bond and other business with any other than an American surety company. Insurance company assets are of the first importance in the operation of business and industry, which in turn keep the banks alive.

Premium Income Very Large

The premium income alone in the several classifications written by miscellaneous insurance companies in the United States in 1926 was more than \$700,000,000. These premiums, when received by the companies, became bank deposits, whether for a limited time or for a long time. Before they were received by the companies they were deposits of the insurance agents in banks all over the United States.

A representative of one of the outstanding American insurance companies tells the experience one of his agents recently had on a bankers blanket bond case. The agent not only kept his own funds in the bank but had obtained other important customers for the institution through the necessity of exercising joint control of some large estate accounts in which his company was surety on bonds written in connection with the estates. The total on deposit was large.

Agent's Quick Action Wins

Recently when the bankers blanket bond came to renewal the banker informed the agent that he intended placing the bond business out of the United States. Thereupon the agent arranged for the withdrawal of the deposits he and those interested with him had made. The withdrawal was so large that it was brought to the attention of the bank president. He inquired the reason for the agent's action. The agent replied that he intended making his deposits in London. The banker immediately saw the significance of the agent's move, and renewed the bond with him.

Every alert agent can develop arguments that will forestall loss of business to companies outside the United States, as did the agent in the case cited above. Banks live by and for financial operations, and readily understand an argument stated in terms of finance.

and of the "50-50" companies, which also have become extremely aggressive on the line.

Residence burglary, all-risk fur floaters, engine and machinery coverage and steam boiler insurance are outstanding among the miscellaneous fire and casualty lines local men are pushing, with plate glass also playing an important part in some offices.

Changes Par Value

The Independence Indemnity has reduced the par value of its stock from \$100 to \$10 a share.

NEW "50-50" COMPANIES ENTER GLASS FIELD

MORE COMPETITION IS SEEN

Stock Companies Writing Line at Full
Rate Given Fight—Reduction of
Cost to Assured Favored

Stock companies writing plate glass on the full premium and straight manual rate basis report that almost weekly a new company bobs up that is seeking to write the line on the "50-50" basis. According to the men who have been interested in the plate glass line for years the "50-50" movement started in Kansas City, jumped to St. Louis and then to Chicago, and later to Des Moines and Omaha north and Dallas south, and now seems to be spreading east through the center of the country and along the lakes. Some of the companies writing the "50-50" policy are as vigorous in their methods as are the companies that collect full premiums.

Some glass underwriters are saying that a rise in the price of glass is imminent but are not clear in their reasons for the prediction, at best stating that the automobile business is making heavy demands on the glass manufacturers. Other underwriters—those who do not accept the prediction—say that none of the motor car makers is boasting the increases in its business excepting the Ford Motor Company, and that Ford has his own glass factory and also had large supplies of glass in storage when the new Ford went into manufacture. Ford is a small buyer of glass in the general market. And all say a price increase will not hamper the "50-50's" anyway.

Rate Reduction Urged

Those plate glass men who argue that the companies can solve their problem by instituting a substantial reduction in the rate on the line insist that such a reduction and nothing else will halt the impending inroads of the "50-50's." Acquisition cost, especially in Chicago, is a complicating factor in the situation, as even some subscribers to the rules covering the line are known to be in violation of them. It is known that 40 percent commission is no longer so unusual as to call for more than passing comment on the street, and cases of as high as 55 percent commission for glass business are known.

A new reported practice is that glass is written either on the "50-50" basis or at full coverage but with the manual rate cut 30 percent. The assured is free to choose which form of coverage he prefers.

Some Stock Companies Write Cover

Some stock companies are writing "50-50" business. Among these, most, if not all, write the business at full manual rate but collect only half a premium at this rate. A very small number maintain a high minimum premium limit and thus obtain what is considered, from the business volume point of view, only "cream" business.

Each one of a considerable list of men interviewed on the situation states that the problem is one for home offices to solve, as everything that can be done in the field already has been done. The volume reduction reported by some stock company offices is in part accounted for by the fact that in the last five years more than 20 stock companies that did not write the line previously to 1922 have entered the field. The remainder of the volume decline can be accounted for only by the operations of the "50-50's," the mutuals and the reciprocals.

Reserve for Contingent Claims

In a recent issue giving financial statements of companies, the American Surety was credited with "unpaid claims, \$3,814,803." This is "reserve for contingencies."

"DEFERRED PAYMENT" INSURANCE EXPLAINED

Advantages to Merchant Outlined
by W. M. Chittenden of
Guaranty Liability

BUILDER OF GOOD WILL

Plan Also Has Great Advertising Value
and Is Factor in Reducing
Sales Resistance

W. M. Chittenden, vice-president and manager of the Guaranty Liability Company of Cincinnati, which specializes on "deferred payment insurance," guaranteeing the payment of installments due on articles purchased on the time payment plan, when the purchaser is disabled by accident or illness, says that many of the letters received by his company indicate a lack of understanding of just what deferred payment insurance is.

Economic Reason First

"We are often questioned as to the reason for deferred payment insurance," said Mr. Chittenden. "First among the many is the economic reason. Last year in this country alone, the actual loss of money in wages through sickness and accident, was over \$1,500,000,000. This is just about three times the amount of the annual fire loss. No one would think of doing business without full fire insurance protection, in fact without fire insurance their credit would be stopped—without credit no business can exist. This brings us to two things—First, credit insurance, of which deferred payment is a form, and second, time payment purchases.

Wholesale Disability Insurance

"It has been said by some that 70 percent of the merchandise sold today is on time, and to the wage earner. He is the one that lost the \$1,500,000,000 last year, so naturally the merchant suffers also from that loss. But the merchant that uses deferred payment insurance protects both himself and his customer from further sharing this great loss. This is because deferred payment insurance is nothing more or less than wholesale accident and health insurance. We say wholesale, because for the individual to buy accident and health insurance, in the same amount as deferred payment insurance, the cost would be from three to six times greater, according to the occupation of the individual.

Volume Reduces Cost

"In insurance as in every other business, volume reduces the cost, and it is volume that allows us to write deferred payment insurance at wholesale rates. The merchant that uses deferred payment insurance is merely following the first law of nature, self-preservation, but at the same time he helps his customers over that rainy day period of disability, for deferred payment insurance takes care of the monthly payments of time purchases, when the individual is unable to do so through disability, and even in the event of death.

Has Advertising Value

"The second reason for deferred payment insurance is its advertising value to the merchant that uses it. You may be in the automobile, furniture, jewelry or in fact any line, selling on time, even in the banking business. No matter what line, they all follow the same form of advertising. In fact when you have read one furniture 'ad' you have read them all—just the difference in price and the articles mentioned—but

(CONTINUED ON PAGE 48)

The Lure (*and Danger*) of the Open Road

Mr. Wise Auto Owner Says:

"Like millions of other Americans, the open road has an attraction that I cannot resist. In these times good automobile roads everywhere are an invitation to travel far afield and when I am touring I do not want anything to mar the pleasure of my trip or delay me unnecessarily.

"Last year I had an experience that taught me that my guardian angel was at my side when I bought a 'Gold Guarantee' automobile policy from an agent of the London Guarantee & Accident Co. I was a thousand miles from home when I had a rather serious accident, which, though unavoidable, had dangerous possibilities. It was in a state that had laws radically different from those of my own state and the local population was inclined to be hostile to me. I could vision days of delay and worry that would spoil the whole pleasure of my trip, but it took only a little while to locate a claims representative of the London Guarantee, and in a short time I was on my way rejoicing that the whole affair was in competent hands.

"So I say, none of these local automobile insurance companies for me. I want a policy in a company that has a nation-wide claims organization so that the service will follow my car wherever I choose to take it.

Address the Agency Department if you wish details concerning an agency contract that will give you the opportunity to use the above argument.

Head Office
55 Fifth Ave., New York
C. M. BERGER, United States Manager



London Guarantee & Accident Co., Ltd.

NEW CONTRACT RECORD MADE IN FEBRUARY

BUILDING SHOWS INCREASE

F. W. Dodge Corporation Figures Indicate Great Construction Volume First Half of Year

Building and engineering contracts awarded in February in the 37 states east of the Rocky Mountains amounted to \$465,331,300, according to F. W. Dodge Corporation. This was the highest February contract total ever recorded for the 37 states. It was 9 percent ahead of the January, 1928, total and was 18 percent over the record for February of last year. The territory covered by this record included approximately 91 percent of the total construction volume of the country.

Four districts made new high totals for February, new records being reached by New York state and northern New Jersey, middle Atlantic states, the central west and Texas. The New England states had a total which was next to the largest February on record.

Residence Total Large

Last month's total included the following items of note: \$238,985,100, or 51 percent of all construction, for residential buildings; \$59,980,200, 13 percent, for public works and utilities; \$57,695,400, 12 percent, for commercial buildings; \$35,413,700, 8 percent, for social and recreational projects; and \$34,881,300, 7 percent for industrial buildings.

The February contract total brought the amount of work started since the first of this year to \$892,500,000, a gain of 15 percent over the amount started in the first two months of last year.

Contracts awarded in New York state and northern New Jersey reached a total of \$139,071,700. This figure was the highest February contract total ever recorded in this territory, 34 percent over the amount reported in February of last year and 6 percent ahead of the record for January of this year.

Contracts let in the New England states amounted to \$22,991,300. This figure was the second highest February contract total on record for this district. It was 3 percent ahead of the February, 1927, total, but was 36 percent below the January, 1928, record.

The middle Atlantic states had \$46,648,200 in contracts during February. The figure was the highest February total on record for the middle Atlantic states. It was 13 percent over the total for February of last year, but shows a drop of 9 percent from the record for January of this year.

Pittsburgh District Gains

Contracts were let last month to the amount of \$41,090,500 in the Pittsburgh district (western Pennsylvania, West Virginia, Ohio and Kentucky). Last month's record was 45 percent ahead of the amount reported in January of this year. However, there was a drop of 28 percent from the total for February of last year.

The central west had \$153,082,100 on contracts for new construction work during February. The figure was the largest for any February on record for this district. There were increases of 34 percent over the total for the preceding month and 40 percent over the February, 1927, figure.

Contracts in the northwest (Minnesota, the Dakotas and northern Michigan) during the past month amounted to \$21,990,300. This figure shows a drop of 29 percent from the amount reported in January of this year and was 23 percent below the total for February of last year.

Construction started last month in the southeastern states amounted to \$38,949,600. The above record shows a loss of 17 percent from the total for January

NO IMPROVEMENT SEEN IN HEALTH INSURANCE

SIMPLY HOPING FOR BEST

Most Companies Consider Only Way to Reduce Losses Is to Write Less Business

PHILADELPHIA, March 14.—"I have been in the business for 30 years and I am frank to state that I don't know a thing about how we're going to come out on health insurance. Neither does anyone else. We're all simply making blind stabs and hoping that we hit it right." So said an underwriter for one of the companies here. He declared that the situation in health insurance is not showing any improvement. His own company, he said, had a better experience last year than the previous year, but the experience was bad just the same.

"We made money at \$5 a unit and we're losing money at \$9 a unit," he added.

"We're writing less health insurance," said another underwriter, "and we're losing less money—thank God. The more business we write, the more money we lose."

Not Keen for Health Business

One company official declared that but two of the larger companies in the country are writing health policies without a waiting period, and one of those companies adds 100 percent to the premium for the first week of disability. The rate is so high it can not lose any money. However, it is claimed that the company in question is not making any money despite the high rate. The companies in the main are not very keen for health insurance. Many of them have cut commissions on this business as much as 10 percent.

Agents of multiple line companies for the most part are not pushing health and accident business. The accident end is profitable and the companies want that part of the business, but the companies are finding that agents are pushing the lines of least resistance. One company official declared that the only way to get accident and health business is through branch offices with men working on straight salaries.

What is the trouble with the health business? No one knows. Agents can't sell—or don't seem to be able to sell—the health policy with a waiting period. Companies that will write business minus a waiting period have their rates so high as to be practically prohibitive. The selection of risks on the part of the agents is also not all that it should be.

Several of the companies have been hit hard on the life indemnity clause. Many of the companies are eliminating this from their health policies. Those that have to keep policies with life indemnity clauses in force are praying that the fates will be kind to them.

There is a strong possibility that some action will be taken very soon in regard to the automobile hazard in accident policies. When the rate was first fixed, the automobile hazard was not considered. However, the companies are being hit with large claims with such frequency that a change in the policy or in the rate is looked for. At a recent meeting of company executives in New York certain steps were decided upon. Figures and loss ratios were freely discussed. Just what will be done is, however, being kept secret for the present.

of this year and was 16 percent below the total for February of last year.

Texas had \$21,308,600 in contracts for February. This figure was the highest February contract total on record for this state. There were increases of 28 percent over the January, 1928, total and 73 percent over the February, 1927, record.

LOSS EXPERIENCE ON BANKERS BONDS VARIES

GENERAL TENDENCY UPWARD

Consolidations in Finance Field Result in Insurers' Failing to Obtain Wide Spread of Small-Unit Business

NEW YORK, March 14.—Experience under bankers blanket bonds by surety writing companies varies according to the records of individual offices. Some assert they have no complaint to offer, while others point to a mounting loss ratio. By and large the loss trend of the business seems to be upward, though it has not yet reached a degree warranting a rate increase. Such action will likely result, however, unless the existing tendency ceases.

While "holdups" are held accountable to an extent for the growing losses, the major claims come from defalcations and forgeries. This fact coupled with the reduced rates paid for the indemnity through the development of the chain bank idea, as against the independently managed institution, makes for the higher ratios.

The process of consolidation to be found in all lines of corporate endeavor, including insurance, has been particularly notable in the realm of finance. Institutions, large and small, have been merged into still greater units, the former independent properties becoming branch establishments, each under salaried managers. So far as the blanket bond writing companies are concerned the effect of this condition is that instead of getting single risk rates on the different banks they receive the lesser group rate, while general loss experience develops that, relieved of the checks and counterchecks to be found in the majority of independent institutions, the branch bank affords greater opportunity to its manager for "borrowing" from the funds under his care. Many such losses occur. Forgeries also are growing in number. Considerable sums are lost by financial institutions through this practice, despite every precaution made to safeguard against it.

"DEFERRED PAYMENT" INSURANCE EXPLAINED

(CONTINUED FROM PAGE 47)

when the article contains facts on deferred payment insurance, it has something that is unusual—something that the reader will remember. Maybe he doesn't understand all about it, but a part stays with him, and when he is in the market for that line of goods, he looks for the 'ad' containing deferred payment insurance. After finding it, he goes to that merchant to learn all of the facts.

Reduces Sales Resistance

"In other words, it has made him come into that particular store, which is the whole idea of advertising. After he is in the store, it is up to the salesman. But here again deferred payment insurance is of further assistance. The biggest factor of sales resistance is fear. Fear in the mind of the prospective purchaser of not being able to meet payments when due. 'Something may happen to me,' reasons the customer. The salesman when he has practically made his sale, or at least created the desire in his prospect of wanting, needs something to eliminate that fear. He then goes into the details of deferred payment insurance and therefore eliminates the last and greatest resistance in the mind of his prospect. An executive of one of the largest advertising agencies in Detroit said recently: 'With deferred payment insurance, I can increase the value of any time payment copy, at least 50 percent.'

"Another reason for deferred payment insurance, is its value as a good will

LOCAL MEN FEEL THEY SHOULD BE PAID MORE

SEEK HIGHER COMMISSIONS

Kansas Agents Want Increase on Classes on Which They Are Paid Less Than 25 Percent

KANSAS CITY, MO., March 14.—Interesting in a consideration of the casualty insurance situation in Kansas City is the recent move on the part of the agents for higher commissions on a number of lines which provide for less than 25 percent commission. Especially in the case of compensation insurance it is felt that this line is a dead loss from the agent's standpoint, since the overhead is greater than in other lines. A recent survey made by the Insurance Agents Association here shows that the average administrative expense is 7½ percent of the premium, and that unless a 25 percent commission is maintained on all classes the business of the agent will be ruined.

Agents find one of their most profitable casualty lines to be accident and health. This is not one of the easiest to sell, but is a good workable line. According to one prominent agent if it were not for accident and health insurance he could not make a living.

One of the easiest casualty lines to write is automobile liability. Everyone wants it, and the only difficulty in connection with it is that some companies are writing automobile liability at reduced rates. Contingent automobile liability is a line which is being pushed more and more here, although it is as yet comparatively new. The agents believe there is a big field for it, and although there has not been much written, they expect it to be a profitable line.

Plate glass is a profitable line and easy to sell, although it is not pushed extensively. This line, accident and health, automobile liability, contingent automobile liability, and burglary are considered among the best fields for the casualty agent. Under present conditions the agents feel that they will do well to put more time on these profitable lines.

Reciprocal and mutual competition is not so marked as it was five or six years ago, according to agents. However, reciprocal competition in Kansas City is strong, especially in automobile and compensation insurance.

MOBLEY TAKES NEW YORK POST FOR HIS COMPANY

Nathan Mobley of Chicago, western agency supervisor of the Fidelity & Deposit, who has been in charge of production in the midwest part of the country for the last two and one-half years, has been assigned to the New York office, where he will specialize in production work. He joined the Fidelity & Deposit in 1923 as assistant manager for the Charlotte branch office. He has displayed marked ability as a producer and stimulator of business. Mr. Mobley was married not long ago to an Omaha girl.

builder. After a merchant has been using the plan for several months, quite a few of his customers have had its full significance forcibly shown to them. Some were disabled ten days or so, others several weeks, but in each case there were no payments to be made to the merchant for the time lost. Deferred payment insurance took care of this for them, and the merchant gave them credit on the books for the amount.

"Try to buy any business and see if there isn't a large item in the selling price called good will. Without it no business grows. In fact it may be said that without good will no business can exist."



A SERIES DEALING WITH FACTS ABOUT
THE WASHINGTON FIDELITY NATIONAL

HARRY R. KENDALL
Chairman of Board

GEORGE R. KENDALL
President

**FIVE
HUNDRED
THOUSAND**
more premium income
in 1927 than in 1926
is an achievement that spells
PROSPERITY
for hundreds of Washington
Fidelity National Represent-
atives. 1928 holds even
greater opportunities
—Why not join
the W. F. N.
in realizing
them?

WE EQUIP
AGENTS
TO WRITE
Ordinary Life
Intermediate Life
Industrial Life
Industrial Accident
and Health
Industrial Accident
Commercial Health
Monthly Accident
and Health
Group Accident
and Health
Franchise
Automobile (Per-
sonal)
Railroad Install-
ment

Before making a defi-
nite connection for
writing Life, Acci-
dent and Health Insur-
ance let us have the
opportunity of explain-
ing what the Washington
Fidelity National has to
offer ambitious men.

Write us today for full
particulars.

WASHINGTON FIDELITY NATIONAL INSURANCE COMPANY

HOME OFFICE
1607 HOWARD STREET
CHICAGO

CHANGES IN DISABILITY POLICIES

Brief Review of News About Policies, Riders and Rates, Which Are Given
in Full in the Policy Analysis Section of The A & H Bulletins, Published
Monthly by The National Underwriter Company.

FEDERAL CASUALTY

The Federal Casualty has issued a new form, the "Superior" accident policy, which gives virtually the same coverage as its "Champion" accident policy, except that there is no provision for principal sum accumulations or monthly indemnity increases.

INCOME GUARANTY

The Income Guaranty of South Bend has revised its contracts and is writing its business on three principal forms, the "Superior" accident contract, Form 103-C; the income contract, Form 102-D; and the income contract, Form 101-D. The accident contract provides payment for total disability for period not exceeding 60 consecutive months. Hospital indemnity is included. The income contract, Form 102-D, provides the same accident coverage as in the "Superior" contract and is a non-house confinement illness policy. Illness indemnities are paid for not exceeding 12 consecutive months. The income contract, Form 101-D, is the confining illness policy. The business men's disability policy is written on Form 102-O, with a 14 days' elimination period applying to both accident and illness monthly indemnities. This policy may also be written on the confining illness disability form.

METROPOLITAN CASUALTY

The Metropolitan Casualty has withdrawn from sale its Metropolitan star disability policy and is selling instead the Metropolitan star accident and health policy. The new policy carries a 14 days' elimination period applying to illness, total and permanent disability, hospital indemnity and nurses' fee clauses.

SENTINEL LIFE

The Sentinel Life is issuing a special automobile accident policy and a special automobile and travel accident policy. The first sells for a premium of \$5 and the second for \$10. The \$5 policy insures "against losses and disabilities which result from accidental bodily injuries sustained while operating, driving, riding in or on, demonstrating, ad-

justing or cranking an automobile or in consequence of being struck, run down or run over, or caused by the burning or explosion of an automobile; but the insurance hereunder does not cover loss resulting from or in consequence of performing the duties of a machinist in repairing, overhauling, or testing an automobile." Weekly indemnity is paid for total disability not exceeding 26 weeks and one-half weekly indemnity for not more than 10 weeks. Hospital indemnity provides payment of three-fifths weekly indemnity additional for not exceeding four weeks. The principal sum of the \$5 contract is \$1,000.

The \$10 policy insures "against loss resulting from accidental bodily injuries sustained (Part A) "while the insured is actually riding as a fare-paying passenger in a place regularly provided for the transportation of passengers within a railroad car; street elevated, subway or interurban car; a regular licensed steam vessel, all provided by a common carrier for passenger service only; and further providing that such injury and loss is in consequence of a collision or other accident causing substantial damage to the conveyance in which the insured is so riding," or sustained (Part 2) "while the insured is operating, driving, riding in or on, demonstrating, adjusting or cranking an automobile or in consequence of being struck, run down, or run over, or caused by the burning or explosion of an automobile." This policy carries \$5,000 and \$10,000 principal sum, depending upon the way in which the accident is sustained, and \$100 monthly indemnity, payable for not more than six months. The hospital indemnity clause calls for payment of one-half monthly indemnity for not exceeding one month.

STANDARD ACCIDENT

The Standard Accident has withdrawn from sale its Pacific accident policy.

UNITED STATES CASUALTY

The United States Casualty is issuing a new "Uscasco" accident policy for women. Monthly indemnity of \$75 is paid for not exceeding five years. The principal sum is \$1,000 and the annual premium is \$12.

Aetna Life Agency Meetings

Eight of the 15 agency meetings which the Aetna Life accident and liability department and the Aetna Casualty & Surety scheduled for March have been held, at Providence, Bridgeport, Albany, Harrisburg, Philadelphia and Buffalo. More than 1,000 agents are expected to attend the meetings in Richmond, Milwaukee, St. Paul, New Orleans, Minneapolis, Des Moines, Indianapolis, and Louisville.

Those from the home office who have attended the meetings so far held include Vice-presidents C. B. Morcom and R. W. Myers, Secretaries W. J. O'Donnell, R. I. Catlin and C. C. Halliwell. Stanley F. Withe, assistant director of publicity, and Warren S. Chapin, advertising manager of the Aetna Casualty & Surety, gave talks on advertising and publicity methods. Field supervisors who attended include L. B. Fowler, C. T. Spaulding, E. C. Knapp and John R. Holmes.

Sullivan Addresses College Students

A comprehensive talk on insurance was given by Vice-president R. J. Sullivan, of the Travelers, before the economics class at Holy Cross College, Worcester, Mass. Mr. Sullivan's lecture was the first of a series of four which officials of the company will give at the college this month. Mr. Sullivan outlined briefly the various kinds of in-

surance and attempted to show the students the scope of the insurance field in its relation to the social and economic structure.

"Not only is it the function of insurance to indemnify, but also, through inspection, to help in preventing loss," he said. In conclusion Mr. Sullivan discussed some of the elements that enter into the administration of an insurance company.

The other lectures in the course will be given by Assistant Secretary Sanford B. Perkins, Allan E. Brosmith of the legal department, and Louis N. Denniston, superintendent of training and instruction.

Increase Size of Board

NEW YORK, March 14.—Stockholders of the Reliance Casualty of Newark yesterday decided to increase the number of the directors from 10 to "not more than 20." This is a preliminary measure to the intended doubling of the company's capital and an extension of its underwriting program.

Increase Guardian Casualty Directorate

BUFFALO, March 14.—Eugene L. Falk has been added to the directorate of the new Guardian Casualty, recently organized here. Mr. Falk is senior member of the law firm of Falk, Phillips & Schlenker and a director of several important industrial corporations here.

The National Credo:

National Surety Company
Wm B. Joyce, Chairman
 115 Broadway
 New York

February 21, 1928.

TO THE AGENCY DEPARTMENT:

OUR MEASURING STICK

In every city of twenty five thousand and over we must expect the agent of the National Surety Company to have the following qualifications:

EXPERIENCE:

A bona fide Insurance Agent in every sense of the word, familiar with all lines written by our Company and capable of grasping new ideas.

ABILITY:

Knowing how to think and to plan his work so as to be the first agent on the job whenever a risk is in sight. An energetic, resourceful, alert businessman of Insurance.

EFFICIENCY:

The ability to administer the details of his office; to organize his force so as best to serve the public. A man capable of handling joint control accounts and of receiving and accounting for collateral deposited in his care.

CHARACTER:

To discharge all obligations to his Company promptly, accurately and thoroughly. Likewise to the public he serves. An honest, reliable man, and so regarded by all with whom he comes in contact.

Of all the qualifications the most necessary and the most important is character. A man devoid of character when put to the test, although possessing experience, ability and efficiency is not good enough to represent our great Company.

To the agent, however, who does qualify, the resources and rugged strength of the National Surety Company, always interested in and working for the betterment of the business as a whole, will prove to be an asset of permanent and lasting value.

We have many such agents; we want more of them.

Wm B. Joyce
 Chairman.

Here is the Type
 of Agent We Want

THERE ARE A NUMBER OF TOWNS WHERE WE COULD USE AN AGENT OF SUCH CALIBRE.
 A FEW GOOD GENERAL AGENCY APPOINTMENTS ARE AVAILABLE.

FOR INFORMATION WRITE

NATIONAL SURETY COMPANY

115 BROADWAY, NEW YORK CITY

on the
spot



with
**PLATE GLASS
REPLACEMENTS**

"You're on the job all right!"

When your clients tell you this you have a right to be happy. For satisfied policyholders are your best advertisers and customers.

Call
**Mohawk
1100**

It costs no more to have an American Glass Company replacement and satisfaction is assured when you do—

We are leaders in the Chicago field because we are equipped to render on the spot Plate Glass Replacement Service.

AMERICAN GLASS CO.

1030-42 NORTH BRANCH ST.
CHICAGO, ILL.

TELEPHONE: MOHAWK 1100 :: ALL DEPARTMENTS

SPIRIT OF HOME OFFICE RULE SHOULD GOVERN

SIMONS ADDRESSES MEETING

Claim Attorney Tells Burglary Department Managers Blind Adherence Is Easy But Wrong

That adherence to the spirit rather than to the letter of insurance company home office law makes for better business and the creation of future executives was the keynote of the talk of Harry Simons, claim attorney in the Chicago office of the Travelers, made at the regular monthly meeting of the Burglary Underwriters Association of Chicago last week. In introducing his subject Mr. Simons said, "The sun has set on the day when the public doubted the value of insurance protection. Insurance has come into the standing it deserves to enjoy." He said that one of the first duties of the insurance business is to maintain the public's confidence in the institution.

"Rules are essential to the conduct of any business," Mr. Simons said. "Insurance is a highly complex and greatly ramified business. In general, the rules, regulations and conduct of the insurance carriers also are complex. The individual in a large company often is lost sight of. Because of this, and because it is the easy course, the individual in such a large institution often falls to and continues at the status of a 'record player.'"

Basic Elements Given

Mr. Simons said that the three basic elements in the successful conduct of the insurance business are the correct selling of insurance, correct underwriting and correct claim administration. He said the underwriting is the basis of the business. The relation between the initiating executive, the underwriters and the claim administration forms the nice basis on which the business rests. He said the business generally speaking is conducted from home offices but that the practical work is done in the field.

To point his thesis that adherence to the letter of home office rule sometimes is wrong both from the view of home office interest and the field point of view, Mr. Simons cited two cases from his experience in which a company would have lost large lines of business had the field offices adhered to the letter of the home office law.

Two Lines Are Saved

One case involved a general line on which the premium was large and the experience excellent. Because of a condition reported to the home office and accepted there without much investigation, the line was ordered canceled. However, the field office knew that the condition complained of had been corrected and that no reason for the cancellation existed. The home office, therefore, was ignored and a good line was saved for the company. In the other case a large line could be had merely through the claim department's allowing a very small claim which was questionably sound. The home office ordered the claim ignored, but the field office allowed it and the large line, on which experience has been good since it was written, was placed on the company's books.

In closing Mr. Simons said, "While rules and regulations are absolutely necessary, it is our duty to use our heads in all cases and aim to make the final result the same as it would be if all concerned adhered blindly to the letter of the rules."

E. E. Cadmus, manager of the workmen's compensation inspection rating bureau of Virginia with headquarters at Richmond, is the proud father of a baby boy, born last week.

LOCAL MEN OVERLOOK GREAT INCOME SOURCE

CASUALTY LINES NOT PUSHED

West Virginia Agents Just Awakening to Possibilities, with Prospect of Decreased Fire Insurance Income

CHARLESTON, W. VA., March 14.—While the returns to the state insurance department from casualty companies show an increase in premiums received, the total amount of business written is small when compared with that of some other states of even less aggregate population. The business has not been worked except as a side line. Competition for automobile insurance is keen and the line is badly overworked. But burglary, plate glass, boiler and other casualty lines are not solicited by local agents. Few agents campaign for days after a burglary report or an explosion that has caused glass damage. The business is here, but the general agencies in the large towns and the agents in the little places do not seem to be alive to the possibilities of what are considered incidental lines.

In the larger towns there are one or two agents who specialize on casualty and surety business and the other agents or agencies let them have a free field, taking in only what is submitted by regular clients.

With big business falling off and large lines broken up, most agencies are, however, looking for a reduced commission income from fire insurance this year. They are slowly waking up to the necessity of working casualty and surety lines to make up for the expected loss and this may be the means for arousing more interest in these classes.

Neville Pilling's Title Changed

Neville Pilling has been given the title of general manager for Canada for the Zurich. He succeeded to the position, which formerly was held by Hedley Wright, when Mr. Wright was transferred to England, and has since been performing the duties formerly performed by Mr. Wright. Before the transfer Mr. Pilling was general superintendent, assisting Mr. Wright. Before joining the Zurich in 1923, when the Canadian branch was opened, Mr. Pilling served the London Guarantee & Accident and previous to that the General Accident.

Judgment May Bankrupt Town

LINCOLN, NEB., March 14.—The recent entry of a judgment for \$13,000 in a western Nebraska district court against a village of 400 inhabitants, in favor of a woman whose husband was electrocuted when a high voltage wire of the municipal electric plant fell from a rotten bracket, has caused considerable comment in insurance and lighting circles. The village did not carry a cent of liability insurance, and the entire plant is worth less than the judgment. Insurance men say that not one village in a dozen carries liability insurance, and officials, with the small town notion about what constitutes high taxes, have refused to incur such an expense. The possibility that one accident may bankrupt the town treasury has been considered so remote that it has been difficult to interest officials in this form of coverage.

Offer Complete Service

The Bellinger-Bruckmann agency, as borough agents in New York for the casualty lines of the Great American Indemnity, and as general agents in its surety branch, began writing business for the company March 5. The agency, by virtue of its other representation with the New Brunswick Fire and the Milwaukee Mechanics for automobile fire and theft, and the Continental Casualty for accident and health lines, is in position to grant complete indemnity coverage and will make a feature of prompt and efficient service to business producers.

SOUTHERN SURETY MAY MOVE TO ST. LOUIS

WAS RUMORED FOR SOME TIME

Directors Have Matter Under Consideration and an Official Announcement Is Expected Soon

ST. LOUIS, March 14.—The main offices of the Southern Surety may be moved to St. Louis, Mo., from Des Moines, Ia., it is stated. The board of directors of the company have the matter under consideration and an official announcement of a decision to make the move may be forthcoming within the next few days. The matter was before the board at its meeting held in Des Moines on March 13.

It has been rumored in insurance circles for some time that the Southern Surety would return to St. Louis, but because of the necessity of closing pending deals for the needed office space no official confirmation was obtainable. Several St. Louisians are heavily interested in the company.

Inquire into Compulsory Plan

RICHMOND, VA., March 14.—Shortly before finishing up its session last week, the Virginia legislature authorized the appointment of a commission to inquire into the advisability of the state adopting a compulsory automobile insurance law. The commission is directed to make a thorough study of the subject and to submit a report of its findings at the next biennial session. The commission is to consist of two members of the house, one from the senate, the state motor vehicle commissioner, a member of the state corporation commission and the state highway commissioner.

Bus Insurance Act Held Valid

NASHVILLE, TENN., March 14.—The attorney general of Tennessee has given an opinion on the act relating to motor bus insurance, holding the law valid. It reads that each car carrying freight shall have \$3,000 insurance, and all passenger cars \$5,000, or bond, which "shall be for the benefit of the public and shall bind the principal and obligor, or insurer, to make compensation for injury to persons whether passengers or not, and the loss of or damage to property resulting from negligent operation of such vehicles."

The act was held constitutional by the supreme court shortly after it was passed, in cases coming up in Davidson and Knox counties. The court, however, divided on the matter, with three members holding it constitutional and two dissenting. One of the main attacks on the bill was that it mixed up property damage and personal injury damage all in one sum under the same policy, without separating the amount of coverage on each, and that the bond or insurance policy was uneven and not a standard form, but the supreme court held the act valid.

Konig on Swing Around Circle

W. G. Konig, resident vice-president and general manager of the Northwestern Casualty & Surety at Milwaukee, is making a swing around his territory visiting eight states, including Wisconsin, Michigan, Minnesota, North and South Dakota, Illinois, Nebraska and Iowa. Before he left, Mr. Konig reported that the company's business showed a 30 percent increase in 1927 over 1926, and that up to the middle of February this year there was an increase of 33 percent over the same period a year ago.

Condon Joins National Surety

E. W. Condon, manager of the uptown branch office of the Fidelity & Deposit in New York, has resigned to join the Greater New York department of the National Surety which is completing its staff under Vice-President Vincent Cullen. Mr. Cullen was formerly vice-president in charge of the metropolitan department of the Fidelity & Deposit.



All the Jugglers are not on the Stage

Balanced accounts don't always mean honest bookkeeping.

Frequently they mean just the reverse. Innumerable cases prove that it is easy for a clever and unscrupulous clerk to juggle his accounts in such a way as to conceal his thefts for years. ¶ Fire-proof construction, sprinkler equipment and modern fire-fighting apparatus do not remove the necessity for fire insurance. No more do complicated accounting systems, frequent audits and the careful supervision of employees remove the necessity for Fidelity Bonds. ¶ Fidelity Bonds provide the only means whereby an employer can safeguard himself against that most painful of all forms of loss—an embezzlement by a trusted employee. Fidelity Bonds, as furnished by the F & D, not only counteract the results of dishonesty, but actually serve as a deterrent to wrong-doing.

Fidelity and Deposit Company

of Maryland

BALTIMORE

Fidelity and Surety Bonds :: Burglary and Plate Glass Insurance

AMERICAN SURETY COMPANY OF NEW YORK 100 Broadway

FIDELITY AND SURETY BONDS
BURGLARY INSURANCE
CHECK FORGERY AND
ALTERATION INSURANCE
PLATE GLASS INSURANCE

The A & H Review
IS THE
ACCIDENT AND HEALTH
MAN'S PAPER
\$2.00 A YEAR CHICAGO

T-H-E
COMBINATION
I-D-E-A-L

Liberal policies
—
Good territory
—
Agency—Building
Co-Operation from
Home Office
—
Efficient Claims
Service



SUCCESSFUL
-- NATIONAL
AGENCIES

Are you making PROGRESS? If not, are you willing to spend TWO CENTS to learn WHY National Casualty salesmen forge ahead continually?

We have a full line of Commercial, Industrial, Group and Deferred Payment Accident and Health policies. A connection with this company will be the TURNING POINT IN YOUR LIFE.

NATIONAL CASUALTY COMPANY

Detroit, Michigan

W. G. Curtis, President

WORKMEN'S COMPENSATION

MISSOURI HAS GOOD YEAR

Chairman Phillips Says Workmen's Compensation Act Proved Successful—Few Special Hearings Needed

In the first year of the Missouri workmen's compensation act 100,000 accident cases were reported to the commission and all but 300 were adjusted without special hearings, Alroy S. Phillips, chairman of the Missouri Workmen's Compensation Commission, told a section of the Associated Industries meeting at St. Louis, last week. The first year of the act ended Jan. 9 under the commission's administration.

Phillips expressed the belief that the workmen's compensation act had proved successful. In New York, he continued, 40,000 hearings would have been required to settle 100,000 accident cases, in Illinois 15,000 hearings and in Massachusetts 4,000.

He attributed the low number of hearings necessary in Missouri to the willingness of all parties interested to cooperate and the commission's insistence that the law says that it is the "duty of all parties to agree," a phrase that is constantly stressed by the commission. The Missouri commission has also shown a decided tendency to keep lawyers out of compensation cases as much as possible.

"Although the new law has proved itself successful," continued Phillips, "it is not perfect. Changes will become necessary. But it is still too early for us to say just what those changes will be. We must have more experience, here in Missouri; we must have more time to gather more complete statistics."

Phillips was followed by H. B. Allen,

chief rater of the Missouri insurance department, who also spoke on the workmen's compensation law. He said that the department regards the act as beneficial to both employees and employers and also to the community at large.

Missouri Results Still in Doubt

KANSAS CITY, MO., March 14.—With one year of experience under the workmen's compensation law in Missouri, casualty general agents and officials are unable to make any definite statements as to the experience up to date. The general opinion is that the loss ratio has been rather high, although some agents report very good luck with their risks. One casualty official believes that the loss ratio will run as high as 75 percent for the first year. The opinion is general that the small premium risks are a loss from the start. Many of the companies will not accept a risk for less than \$150. Compensation is harder to place than ever. The figures on the first year's compensation experience in Missouri are to be in the office of the insurance department by May 1, and the agents are waiting for definite returns from these statistics rather than drawing their own conclusions.

Held Entitled to Compensation

MADISON, WIS., March 14.—Compensation has been awarded by the industrial commission of Wisconsin to a man injured while serving as an aid in trailing two men suspected of murder. He had been requested by two assistants of a deputy sheriff to apprehend the two suspects. The two aids to the deputy sheriff were placed guarding the roads in a certain territory and these men requested several others to assist them, the injured man being one of them.

The insurance carrier for the county contended that the two men who had been directed by the deputy sheriff to

guard the roads were not formally deputized and therefore had no official authority to select others to assist them.

The industrial commission, however, held that the men, being instructed to aid as they were, acquired the status of deputies for the occasion so as to be empowered to call others to their aid. The commission further said that the fact that the county allowed and paid a charge for the services of the applicant and other assistants strengthens the view that they were regarded as and were in fact employees.

Oklahoma Mine Accidents

OKLAHOMA CITY, March 14.—The death toll in the mining industry of Oklahoma in 1927 was lower than in any year since statehood, the report of Miller D. Hay, state mine inspector, reveals. The only disaster of this sort during the year was an explosion in the Tahona mine district in eastern Oklahoma which took two lives. Two serious disasters were registered the preceding year, including that of the Wilburton mine, which cost 93 lives, and a similar accident in a Tahona mine resulting in 16 deaths. One disaster has occurred in 1928, with three deaths recorded. A greater disaster was avoided in this accident by the fact that the mine had been rock-dusted and the miners were equipped with electric cap lamps, Mr. Hay said.

Gallantry Not Compensable

LINCOLN, NEB., March 14.—Compensation Commissioner Kennedy has turned down the workmen's compensation claim of F. N. Rathgeber, an employee of a local drug company. The commissioner says that while heroism and gallantry toward women are commendable acts, the lawmakers failed to make it possible to use the workmen's compensation act as a means of rewarding them with cash. Rathgeber attended a Sunday morning picnic at a local resort, with other employees of the store. One of the young women members was placed in a perilous position by accidental means, and Rathgeber badly hurt an ankle jumping

over a railing to rescue her. The commissioner says the accident could not possibly have arisen out of the man's employment, nor in the course of it, since these do not include voluntary entertainments given employees.

Wife Cannot Cash Checks

According to a recent ruling wives cannot cash compensation checks from the Arizona Industrial Commission and such checks may not be levied upon. This ruling has been made in a case in which a Pinal county wife received mail from the commission addressed to her husband and held the checks while she sued for divorce.

Farmers Not Under Act

Farmers do not come under the Illinois workmen's compensation act, Attorney General Oscar E. Carlstrom has ruled. He held that responsibility or liability for injury to one working for a farmer would be governed solely by the common law. The Illinois Department of Agriculture raised the question.

U. S. Supreme Court Rejects Case

The United States Supreme Court has refused to review a decision of the Supreme Court of Ohio involving certain points in the Ohio compensation law. The case is known as the Statmeyer case. In 1925 the Ohio Supreme Court upheld the constitutionality of an amendment to the Ohio constitution under which injured employees and dependents of those killed were forbidden to sue for damages because of the failure of the employer to comply with a lawful requirement of the state. The Ohio industrial commission was authorized to give an additional award not to exceed 50 percent of the regular award as compensation for denial of the privilege to sue.

Oklahoma Commission's Report

OKLAHOMA CITY, March 14.—Increase in the number of accidents reported to the Oklahoma industrial commission in the fiscal year ending Aug.

The AMERICAN GUARANTY COMPANY

COLUMBUS, OHIO

J. B. Coombs, President

All Forms of Casualty Insurance
at Independent Rates
Including

PLATE GLASS

BOTH 50-50 and STANDARD

AUTOMOBILE

FULL COVERAGE
INCLUDING "AMGAR" COLLISION

Desirable Territory Available

Address Agency Dept.
Columbus, Ohio

SMITH-LAWSON-COAMBS CO.

General Agents for Chicago Area
1030 INSURANCE EXCHANGE
CHICAGO, ILL.

CASUALTY REINSURANCE AND EXCESS EXCLUSIVELY

With exceptional satisfaction and success, we are devoting our entire underwriting capacity to the service of casualty carriers requiring Reinsurance outlet.

Many accounts which we opened with Reinsureds in the first years of our operations, "before the war", still persist, steadily increasing in volume and in mutual value. Cancellations have been rare events. This we take as proof of satisfaction.

Inquiries and consultation are cordially solicited. Either of our offices will render "return-mail" service.

EMPLOYERS INDEMNITY CORPORATION

E. G. TRIMBLE, *President*

HOWARD FLAGG, *Vice Pres.*

HOME OFFICE — KANSAS CITY

CHICAGO
166 W. Jackson

NEW YORK
85 John St.

44 YEARS OF STANDARD GROWTH

1884

1928

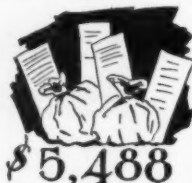


\$112,548

Assets



\$23,133,394



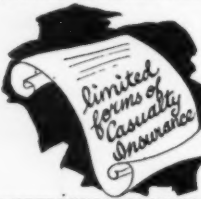
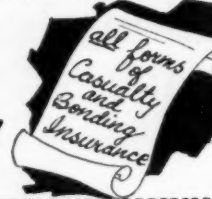
\$5,488

Premiums
Written

\$19,354,826

SMALL
LOCAL OFFICE

Expansion

NATION-WIDE SERVICE
5500 Representatives-8
story Home Office Bldglimited
forms of
Casualty
InsuranceForms
of
Insuranceall forms
of
Casualty
and
Bonding
Insurance

Write to the Advertising Department for a
copy of the Standard's Annual Financial Statement

STANDARD ACCIDENT INSURANCE COMPANY

Home Office-Detroit

ONE OF THE OLDEST AND ONE OF THE LARGEST CASUALTY AND
BONDING COMPANIES IN AMERICA

FULL COVERAGE
AUTOMOBILE CONTRACT
Embracing
FIRE
THEFT
PUBLIC LIABILITY
PROPERTY DAMAGE
COLLISION
TORNADO

Established 1910



HEALTH
ACCIDENT
ANNUAL
SEMI-ANNUAL
QUARTERLY
MONTHLY
PLAN
SPECIAL AUTO
ACCIDENT

Desirable Open Territory in
OHIO, INDIANA, W. VIRGINIA, PENNSYLVANIA and KENTUCKY
Write Agency Department

THE AMERICAN LIABILITY CO.
CINCINNATI

31, 1927, was 9.2 percent, according to the annual review issued recently by the commission. The number of accidents occurring in the state in this period was 60,583, as against 49,837 the year previous. The commission finds that accident exposure is greater each year by reason of the growth in the industries of Oklahoma. Compensation awards for this period amounted to \$1,740,181.

Would Cover Highway Employees

AUSTIN, TEX., March 14—Gibe Gilchrist, new state highway engineer for Texas, has under way a movement to provide compensation insurance for practically all employees of the Texas highway department, many of whom are engaged in work that demands protection of this sort. Mr. Gilchrist has ordered investigation as to whether such compensation can be provided and the manner for doing it and some definite method of procedure is expected soon.

Insurance of this sort, Mr. Gilchrist said, would protect a wide variety of employees, ranging from engineers in the central department at Austin to those men who are compelled to be out on the road at all times of the year maintaining the vast highway system in all parts of the state.

In each of the 18 highway divisions

over the state machine shops are fitted up for repairing the large amount of road machinery owned by the highway department and it is expected that some stress will be placed on the need for insurance in such divisions of the work, where accidents are more liable to happen.

May Regulate Virginia Rates

RICHMOND, VA., March 14.—Full power to regulate and fix workmen's compensation rates is conferred on the Virginia state corporation commission by a bill which passed the legislature last week in closing days of the session. In determining whether rates are just and reasonable, the commission is authorized to consider the income and earnings of the companies from any and every source whatever. It is further provided that it may call upon members of the industrial commission to sit with it in an advisory capacity at any investigation or hearing concerning rates. The act becomes effective 90 days after passage. Within 30 days from the date it becomes effective, companies begin filing schedules showing the rates charged or proposed to be charged. Appeals from the decisions of the commission may be taken as a matter of right to the state supreme court.

WITH BURGLARY UNDERWRITERS

BURGLARS BECOME BANDITS

Daylight Holdups in Which Robbers
Steal Merchandise Are New Prac-
tice Causing Losses

Indicative of the new practice of crooks of stealing merchandise by the daylight holdup method instead of by the night burglary method, as formerly, are three recent Chicago losses that total approximately \$24,000. The firms, with their estimated losses, that have been added to the growing list of victims are: Circle Clothing Co., \$7,000; Reliable Credit Clothing Co., \$9,000; R. Atlas & Co., also clothing merchants, \$8,000.

For local agents the lesson to be drawn from the crooks' switch to daylight operations is that assureds should carry as much interior holdup as open stock. Although all the holdups listed above occurred in Chicago, similar holdups in recent weeks have been perpetrated in St. Louis, Kansas City, Detroit, Joplin, Cleveland, Milwaukee and Minneapolis among the larger cities and also in a large number of smaller communities. In fact, bandits of the type who made the Chicago raids prefer to operate in the smaller centers, where the smaller merchants carry as much stock as do the smaller merchants in the large cities, but where police protection usually is poorer than it is in the large cities.

Many of the bandit gangs have perfected connections with chains of "fences" who will receive their stolen merchandise and who, as do the bandits, know merchandise values. The bandit business is well organized and no community is immune from its operators.

Columbus Bank Loses \$30,000

Late last week four armed bandits held up the Columbus Savings Bank, Columbus, O., and escaped with \$30,000. It is one of the largest bank losses suffered in Columbus in many months.

Bond Bandits Make Two Hauls

Bond bandits late last week obtained negotiable stocks and bonds valued at \$48,100 in two raids in Chicago. The firm of Howe, Snow & Co., brokers, lost securities valued at \$23,100, which were taken from the bookkeeper's cage. Later the same day five masked and armed men entered the plant of the Charles Hollenbach Sausage Co., bound the watchman and blew the safe, escaping with bonds valued at \$25,000. Police have warned all banks and brokerage houses in Chicago and vicinity not to purchase any of the stolen property.

BURGLARY COVER IN DEMAND

Detroit Agencies Report Heavy Business Along That Line—Experience
Generally Satisfactory

DETROIT, March 14.—An increasingly heavy demand for robbery and burglary insurance in the Detroit territory is reported. Some agents say that these forms are more easily sold at present than any other, with the result that they are specializing in this field with good results.

It is stated that residence insurance offers an especially good field. Likewise there is a heavier demand for holdup insurance from practically all classes of retailers. This is due to the fact that holdups and burglaries have been rampant throughout the Detroit metropolitan district for months and have been particularly directed toward smaller stores and private residences. In the suburban residential sections there has been an increasing number of burglaries, a number of homes having been entered two or three times within a comparatively short time.

In spite of the increasing number of losses it is stated that the experience has been generally satisfactory, with the possible exception of filling stations and candy and grocery stores, which have especially bad experience records.

Apparel Shops Hit Hard

Another series of burglary losses in Chicago was suffered by women's apparel shops which lost merchandise valued at approximately \$9,000. One of the leading Chicago newspapers in referring to the losses in a ½-inch item mentioned the "annual pre-Easter raids."

New Residence Forms Ready Soon

NEW YORK, March 14.—A general meeting of the burglary department of the National Bureau of Casualty & Surety Underwriters, it is understood, will be held some time the latter part of the present month to consider revised residence forms, upon which the governing committee has been at work for weeks past and which are now in final shape.

Want Kansas City Rates Reduced

KANSAS CITY, MO., March 14.—The residence burglary situation in Kansas City is very much improved and the agents feel that a reduction in the rates, which are as high as any place in the country, or higher, should be made. As a basis for this contention the Casualty & Surety Association of Kansas City has compiled some figures based on the experience of the agents in the associa-

tion, showing that, while the loss ratio two years ago ran around 56 percent, the loss ratio for last year may run as low as 20 percent. Partial figures showed that the loss ratio for 1927 was around 17 percent. However, in spite of the high rate here, agents say they have little difficulty in writing burglary coverage. Burglary insurance is carefully underwritten, however, the applicant being investigated as well as the risk.

Claims Improvement at Detroit

DETROIT, March 14.—Continued improvement in the crime situation here, confirming a trend noted in 1927, is shown by statistics for the first two months of the current year, according to W. P. Rutledge, superintendent of police. Detroit has, in the past, been one of the worst cities in the country for losses. The general decrease in all types of major crime amounted to 31 percent during January and February as compared with the same months in 1927, Superintendent Rutledge declared.

ACCIDENT AND HEALTH

NO HEALTH RATE INCREASE

Bureau of Personal Accident & Health Underwriters Puts Matter Up to Companies—Individual Action Unlikely

Contrary to general expectations, there will be no increase in health insurance rates—at least on the part of the Bureau of Personal Accident & Health Underwriters.

The bureau has been codifying health experience for several years and has published the results in booklet form, together with recommendations as to rates and waiting periods. With this tabulated experience before them, it is now up to the companies to take such underwriting action as they individually see fit.

However, the general opinion among underwriters seems to be that no further

increases in health premiums are contemplated. Rather, the trend will be toward more limited policy coverages, such as the elimination of indemnity for partial disability, the application of waiting periods, elimination of life indemnity (most of the companies have already done this), and the requirement of house confinement as a condition precedent to payment of weekly indemnity for total disability.

Statistics compiled by the bureau show that numerically 50 percent of all health claims are for periods of two weeks or less, and, as one underwriter declared, "of course it costs as much to handle and adjust the average claim for one week or two weeks as it does the average claim for a month or three months."

Another thing that the bureau's statistics reveal is that in grading the risks according to the amount of weekly sickness indemnity carried, the class carrying over \$50 a week shows a loss ratio of 50 percent, or more, higher than those carrying less than \$50. One explanation offered for this is that the policyholder who can afford to pay for large indemnity can also afford to "take precious good care of himself and spend many weeks recuperating in Florida from some more or less trivial ailment."

As the standard manual committee of the bureau has not quite completed its work, it was thought advisable to defer any other changes in underwriting until the revision of the manual becomes effective.

Many of the companies, it is said, do not believe that the \$2 in the premium for the principle sum fully covers the companies with the ever-growing automobile hazard. It is highly probable that, some time between now and the middle of June, an announcement of an increase in this rate will be made by the bureau.

Leonard in General Work

T. W. Leonard, vice-president of the Washington-Fidelity National of Chi-

cago in charge of the Pittsburgh district, has been assigned to agency supervisory work at large. The Pittsburgh district has been divided into two districts. Manager C. G. Schillerstrom, formerly in charge of the Jersey City district, has been transferred to Pittsburgh No. 1. Pittsburgh No. 2 is in charge of C. S. Wilkinson, formerly manager at Raleigh, N. C., and later special representative. W. O. Barnes, field superintendent of Baltimore, has been made manager of Jersey City.

National Travelers' Surplus

The National Travelers' Casualty Association has changed its name to the National Travelers' Casualty Company, going on an old line basis. Its surplus is now over \$200,000, it having been \$74,061 in 1924. This enables the Company to issue a policy on the strictly stipulated premium basis. The National Travelers' Casualty now has a new policy for women placing accident coverage for them on the same basis as men.

Colorado Life Starts Writing

The newly organized Colorado Life, which will write accident and health as well as both ordinary and industrial life, has just started writing business in Denver. J. M. Campbell is president; M. D. Vincent, vice-president; W. H. Watlington, vice-president and actuary; E. C. Brandenburg, general sales manager; R. K. Dunn, agency secretary and assistant sales manager.

Hard to Improve Risk Selection

BALTIMORE, March 14.—Can the health insurance business be improved by a better selection of risks?

W. B. Hill, superintendent of the accident and health department of the United States Fidelity & Guaranty, believes it can but doubts that the theory can be put into practice.

"For," he said, "this is easier to suggest than to accomplish. You have two primary hazards, the physical and the moral. The physical can be deter-

mined to some extent by careful medical examination. This, however, the companies as a whole are unwilling to apply.

"The moral hazard will always exist and certain people possessing disturbing appendices or swollen tonsils will continue to purchase health insurance prior to surgical operations for the relief of these troubles and the companies will continue to pay such claims."

The United States Fidelity & Guaranty is said to be one of the two large companies still writing health insurance minus waiting periods. However, its experience, on policies carrying over \$50 a week shows a bad loss ratio and in this class it is now requiring a waiting period.

Plan Chicago Underwriters Club

Preliminary steps toward the formation of an accident and health underwriters club in Chicago were taken at an informal meeting held this week in connection with the meeting of the Health & Accident Underwriters Conference. Because of the emphasis laid on the accident and health agent in the conference program, member companies had been invited to have their agents in attendance, and a large number of the Chicago managers of the companies were on hand.

This group was called into conference at the close of the Tuesday afternoon session, together with officials of some of the Chicago companies. Armand Sommer of the Standard Accident acted as chairman and it was agreed that he and Harold R. Gordon, executive secretary of the conference, should arrange for the holding of a dinner or luncheon meeting at which a formal organization can be effected. It is planned to take in underwriting and agency officials of companies with home offices in Chicago and managers of accident and health agencies or departments in that city.

Adds Two Group Lines

LOUISVILLE, KY., Mar. 12.—It was announced here today that a group insurance program covering employees of the Southern Veneer Manufacturing Company, Louisville, had been increased by the addition of health and non-occu-



Agents and Brokers---

*There is that Subtle Something Else---when dealing
with the*

Maryland Casualty Company
Baltimore

*We will help you develop any line
you select*

*Enroll in our Training School
and learn*



Union Indemnity Company

NORTHWESTERN
CASUALTY AND SURETY COMPANY

EXECUTIVE OFFICES: Union Indemnity Building, New Orleans
EASTERN DEPARTMENT: 100 Maiden Lane, New York

Business-Builders

Developing

Fidelity and Surety Bonds, Automobile
Elevator and General Liability, Accident
Health, Burglary and Plate Glass Insurance

Appreciate the co-operation of the

Massachusetts Bonding & Insurance Company

BOSTON

T. J. FALVEY, President

Write for Territory

Paid-in Capital, \$3,000,000

Surplus to Policyholders, \$6,035,856.96

Full Coverage
Automobile
Insurance
At
Independent
Rates

Stock Company
UNDERWRITERS CASUALTY COMPANY
HOME OFFICE
PLANKINGTON BUILDING MILWAUKEE, WIS.
Capital and Surplus
\$200,000.00

Agents Solicited

Ohio, Indiana, Illinois, Nebraska, Iowa

Casualty Writing Agencies

Some Good Territory is open for Direct
Home Office Reporting Connections

AMERICAN CASUALTY COMPANY
READING, PENNA.

Incorporated 1902

ASSETS \$3,218,290.89

MR. AGENT:

We want to say to you that we are *Bigger*
and *better* equipped this year than ever before,
to take care of your Health and Accident Business.
Let's talk it over!

INTER-OCEAN CASUALTY COMPANY
Cincinnati, Ohio

J. W. Scherr, President

W. G. Alpaugh, Secretary

pational accident benefits. Based on salary the benefits run from \$7.50 to \$15 a week, and are payable when an employee is kept away from work due to sickness or is injured off the job. In each case of disability payments are to continue for a period of thirteen consecutive weeks. The Metropolitan Life carries the coverage.

American Bankers' Changes

President F. H. Rowe of the American Bankers of Chicago and Jacksonville has announced the reorganization of the company's territory in Indiana and Ohio. There have been several changes, going into effect immediately. They include the following:

Clyde E. Moon, who has been industrial supervisor for Indiana, has been made state manager of the same territory for ordinary life and casualty. John B. Fuller, manager of the Indianapolis district, has been made state industrial supervisor, to succeed Mr. Moon.

John F. Boyet, state supervisor for Ohio, at Cincinnati, has been given charge of the company's business in Kentucky, and will have headquarters at Covington.

E. D. Higgins, manager at Columbus, Ohio, has been made a sectional manager and will have under his jurisdiction such cities as Columbus, Dayton and Springfield. He will be assisted by Superintendent E. T. Lawwill.

H. E. Runyan, manager of the Cleveland district, has been made manager of the eastern section of Ohio, and will have under his jurisdiction additional territory in Youngstown, Akron, Mansfield and Canton. He will have as super-

intendents F. G. Malo and Victor D. Hardy.

J. L. Cahill has been appointed manager of the Cincinnati district which includes Middletown and other points, and will be assisted by Superintendent C. McCarty.

The position of Mr. Boyet as supervisor of Ohio has not been filled as yet, and for the present the business will be handled from the American Bankers home office.

Celebrate Hogan's Anniversary

The United States Mutual and the Mid-Western Life, Chicago, have been recognizing for several years past the third week in February as President O. T. Hogan's anniversary week. This year marked the 25th anniversary of his starting in the insurance business, and the industrial agency force again broke all previous records with a total writing of \$2,045.10 and a total weekly increase of \$1,015.85.

The Detroit district carried off first honors. There are 29 debits in the district, and they had a total of \$619.45, an average of \$21.36 per man, and a total increase of \$412.60, an average of \$14.22 per man.

The Friday Night Club of the companies presented Mr. Hogan with a beautiful watch and an engrossed remembrance card to commemorate the occasion.

Companies Retire from Arkansas

The Interstate Business Men's Accident of Des Moines, the Eastern Casualty of Boston and the Loyal Protective of Boston have retired from Arkansas.

AMONG SURETY MEN

HOLDS LAW CANNOT STAND

Cincinnati Court Holds Invalid Measure
Involving Payment of Surety Premiums by State

Judge Darby in the common pleas court at Cincinnati handed down an opinion in which he holds that the new law of the state which provides that the premium "of any licensed surety company" on the bond of any public officer, shall be paid by the state, county, township, municipality or other subdivision of which the person giving bond as an officer, deputy or employee, is unconstitutional. The suit was filed by Attorney Dudley M. Outcalt, seeking to enjoin operation of the law. He brought suit as a taxpayer attacking the statute as being discriminatory between a surety company and an individual; as interfering with freedom and liberty to contract, and on the ground that such payments, therefore, would be a misapplication of public funds. The petition attacks the law on the ground that it provided for payment of premiums when a bond is given by a surety company, but no provision is made if private surety is provided. Judge Darby in his opinion said that the unequal operation of the law, or its discriminatory character is disclosed when it is considered that a particular individual might not be able to procure a surety bond, but be forced to make a bond with individuals as surety. In such a situation he said the official would be under obligations to pay out of his own pocket any premium that the surety might require, whereas in the case of the surety company the individual would be under no obligation to pay the premium, but it would be paid by the state or some subdivision of the state. Attorney Outcalt said that while the law as passed is unconstitutional in his opinion, its intent easily may be made into valid law by providing for the payment of the premium on bonds by any approved surety instead of designating that it must be a "licensed surety company." Judge Darby submitted the entire case to Judge Struble also of the common pleas court who concurred in the finding.

SEEK BONDING CORRECTIONS

United States District Attorney Tuttle
and Insurance Men to Meet
on Bail Coverage

NEW YORK, March 14.—At the suggestion of C. H. Tuttle, United States district attorney, representative surety underwriters will meet with him, Superintendent J. A. Beha, Chief City Magistrate McAdoo, District Attorney Banton and Police Commissioner Warren within a few days to take up the matter of bail bond rates and the methods to be employed in writing the business. Few of the surety companies care for this class of risks, being unwilling to deal with the type of clients that as a rule seek indemnity of this character.

Several years ago a scandal was created locally through the practices employed by bail bond runners, notably because of the extravagant premium charges they imposed on many of the unfortunates forced to furnish indemnity. Mr. Tuttle feels that the situation again needs correction, in bringing about which surety men who write these bonds have pledged their hearty support.

C. J. Otto Joins National Surety

Charles J. Otto, manager of the contract service department in the New York branch office of the Fidelity & Deposit, has resigned as of April 1 to join the greater New York department of the National Surety to supervise organization of a similar service department. He will assist Vincent Cullen, vice-president of the National Surety and manager of the New York department. The service department's function is to facilitate the handling of contract bonds. Mr. Otto was in the New York office of the Fidelity & Deposit six years.

Pass Virginia Mutual Bill

RICHMOND, VA., March 14.—Mutuals having a surplus over and above all liabilities of \$500,000 will be permitted to write surety bond and fidelity business in Virginia, under provisions of a bill which passed the Virginia legislature in the final days of the session. After it had passed the senate, action on it was postponed indefinitely by the committee of the house. Subsequently, the committee was discharged and it

was put through the house. Another bill empowering the state corporation commission to regulate and fix surety bond and fidelity rates was also passed shortly before the session closed.

An eleventh-hour effort was made to have fiduciary bonds exempted from the lines to be written by the mutuals but the proposal was voted down.

Stock interests scored a point, however, when they succeeded in getting through an amendment requiring mutuals to come under the deposit law on the same footing with stock companies. Amount of bonds that have to be deposited range from \$10,000 to \$50,000.

H. T. Millard in Chicago Post

Hugh T. Millard, formerly superintendent of the bonding department in the Philadelphia office of the Century Indemnity, has been transferred to Chicago as manager of the Chicago bonding office of the company. His offices are at A-1802-4 Insurance Exchange South.

Before joining the Century, Mr. Millard was assistant secretary in charge of the bonding department of the Federal

Surety. He is a graduate of Detroit law school and was admitted to the Michigan bar.

Bank Shouldn't Have Cashed Check

MINNEAPOLIS, March 14.—The American Surety has won its suit to recover \$3,131 on a bond it furnished to an absconding school treasurer. The Richfield National Bank cashed a check for about \$2,500 on school funds presented and signed by the school treasurer, but not countersigned as required by law.

The American Surety sued the bank and was awarded the full amount with interest. The court held that the bank should not have cashed the check without a counter-signature.

Big Bond Written

The National Surety through New Jersey State Manager P. E. Wiles, wrote the bond guaranteeing the completion of Brooklyn cross town subway. The contract price is \$6,946,895. The original premium for this size contract is \$52,101.

PERSONAL GLIMPSES OF CASUALTY MEN

Leo E. Thieman, the publicity man of the Casualty Information Clearing House of Chicago who has been elected executive secretary of the Louisville Board of Underwriters, will take his new position about May 1. Mr. Thieman is returning to his home city where he has many friends. Mrs. Thieman is also a Louisville girl, so that the social life will be renewed. Mr. Thieman has done remarkably well in his work with the Clearing House. He has demonstrated resourcefulness, enthusiasm and good sense. He has appeared before a number of insurance gatherings and vigorously has stood for sound and dependable insurance. Mr. Thieman was a former newspaper man of Louisville and later became connected with the "Insurance Field." The "Insurance Field" sent him to Chicago as a reporter and in that connection he came in contact with the Casualty Information Clearing House which snapped him up because he had good stuff in him. Mr. Thieman has made a number of friends who feel that in his new position he will be a success.



A. L. LISTMAN

Charles V. Hemsley, assistant secretary of the United States Fidelity & Guaranty, died at his home in Baltimore last week. Mr. Hemsley, who was 72 years old and a native of Queen Anne's county, had been connected with the company for the past 10 years.

Charles Grilk, prominent Davenport attorney, who was general counsel for the Federal Surety and the Register Life, both of that city, died last week from hemorrhage of the brain. He was in Des Moines to attend the state Republican convention, to which he was a delegate, and his death occurred in that city. He was a native of Clinton, Ia., and a graduate of the Harvard law school. He was 55 years of age.

Mayor N. C. Stevens of Hartford, secretary of the Aetna Casualty & Surety, is nearing the end of his second and last term in office. He celebrated last week by flying to Boston and was literally "in the governor's shoes," because he donned the togs of Governor John H. Trumbull of Connecticut, known as "the flying governor." At the conclusion of his term in May, Mayor Stevens will devote his full time to the plate glass and other casualty lines of the Aetna Casualty.

A. L. Listman, who takes charge of the casualty and surety part of the new branch office of the Glens Falls and Glens Falls Indemnity at 136 South Fourth street, Philadelphia, is a graduate of the Travelers training school. The Glens Falls Fire will be in charge of Frank A. Roberts and the casualty and bonding departments under Mr. Listman. Mr. Listman completed his course as special agent

in the life and accident department of the Travelers and later entered the group department. After four years of this service he entered the local agency business at Utica, N. Y. After a number of years of service in that capacity he became affiliated with the Ocean Accident and for a year and a half acted as regional supervisor of eastern Pennsylvania, southern New Jersey and Delaware.

P. R. Wilbur, newly appointed resident vice-president of the New England department of the Hudson Casualty, of Jersey City, has had nearly 27 years experience in the insurance business, the last 16 of which were devoted to the casualty and surety lines, largely in field work. His most recent association was with the agency department of the Metropolitan Casualty of this city. Making headquarters in Hartford, Mr. Wilbur will at once plan to develop the business of the Hudson Casualty in the New England territory, a task for which his previous training peculiarly qualifies him.

Canadian Casualty Requirements

OTTAWA, ONT., March 14.—The Dominion insurance department has announced the amounts of deposit required by the treasury board of foreign companies writing the various casualty lines as follows:

Accident (including employers' liability), \$80,000; automobile, \$100,000; automobile (excluding fire risk), \$40,000; aviation, \$40,000; burglary, \$40,000; credit, \$40,000; electrical machinery, \$40,000; employers' liability, \$40,000; fly wheel, \$20,000; forgery, \$40,000; guarantee, \$100,000; live stock, \$40,000; plate glass, \$20,000; property damage, \$20,000; sickness, \$20,000; sprinkler leakage, \$20,000; steam boiler, \$40,000.



REINSURANCE AND EXCESS COVERS

Workmen's Compensation
and Public Liability

The Excess Insurance Company
of America

JAMES GIBBS, President

Head Office

12 Washington Place

Newark, New Jersey

Telephone Mulberry 5585

Writing Casualty Insurance
Fidelity and Surety Bonds



FEDERAL SURETY CO.
HOME OFFICE DAVENPORT, IOWA

TELLS HOW COMPENSATION RATES ARE DETERMINED (CONTINUED FROM PAGE 45)

authorize the payments. Then the payments begin and continue for many weeks, even years. In fire insurance a single payment can close the whole matter. In compensation insurance the payment is by the week, extending into years. This must all be kept track of, the money paid promptly week in and week out. It costs something to write checks, keep accounts, furnish stationery and postage and all the minor details, which in themselves amount to little, but which all added together amount up to a substantial sum.

"I am taking time to mention some of these things because there is some little difference between the premiums collected and the losses paid, which constitutes a very substantial and absolutely necessary expense, but which the public is apt to entirely overlook in its desire to have every possible dollar of premium turned over to the injured employee.

Prevention Much Better

"The main item of cost in compensation insurance, however, is obviously not the overhead but the payments for medical and hospital services, and weekly indemnity in accordance with the provisions of the compensation law. At the outset we agreed that money paid to injured employees and their dependents was well spent. If it were within the range of possibility to prevent all the accidents, as the result of which \$8,000,000 will be spent this year; if it cost the \$8,000,000 to prevent them, that sum would be spent even better than in payments to the injured. If there were no accidents the employee would receive full wages instead of two-thirds, there would be eliminated the suffering incident to painful injuries, and human lives would be saved.

Revised Each Year

"Manual or base rates are reviewed and revised from year to year. Five years' experience is combined and tabulated. Each year the earliest year's experience is dropped off and the latest available year added. When I speak of a 'year' I mean a policy year, not a calendar year. A policy year means all policies issued during a calendar year, which policies terminate the following calendar year. For example, a policy written on Jan. 15, 1927, terminated on Jan. 15, 1928, while a policy written Dec. 15, 1927, will not terminate until Dec. 15, 1928. Thus it is Dec. 31, 1928 before all 1927 policies have expired and the work of tabulating the 1927 experience commenced. This experience will be reported by each company for each classification to the insurance department in the spring of 1929. It must then be audited, combined by the insurance department, and will be available for review by the insurance companies through the Massachusetts Rating and Inspection Bureau in the late summer or early fall, after it has in turn been combined with the four previous years' experience. Such changes upward or downward as may be indicated in the general level or individual classification would then ordinarily be applied to policies commencing with the year 1930.

"There is here a certain loss of time in reflecting changed conditions, but it is inevitable, and no time is wasted. It is simply necessary to wait until the last policy written in a given year has terminated, its outstanding losses estimated and added to its paid losses, the payrolls audited, and the whole facts combined, reported and studied."

Ogden Davidson with Ocean Accident

Ogden Davidson has been appointed Buffalo, N. Y., resident manager of the Ocean Accident & Guarantee and the Columbia Casualty. Mr. Davidson is well known in New York city insurance circles. For 13 years he was assistant manager in the New York office of the Standard Accident and for two and a half years served in a similar capacity and in the New York office of the Metropolitan Casualty.

HEALTH & ACCIDENT CONFERENCE MEETING (CONTINUED FROM PAGE 46)

Life, gave the company man's viewpoint and W. J. McGelgerton of Denver, the claim man's viewpoint.

Uniform Phrasing of Value

The round table discussion Wednesday morning was on the general theme of "The Accident and Health Policy Contract," with W. W. Powell of the Southern Surety presiding. E. C. Budlong, vice-president of the Federal Life, introduced the first section of this discussion on: "How will uniformity of phraseology covering the insuring clause, principal sum and loss of time provision help the agent? The company?" He expressed the belief that the uniform phraseology for certain policy provisions recommended to the conference by its special committee will, if generally adopted, be helpful to both the agent and the company. He deplored the practice, prevalent in former years but not so much at the present time, of the agent devoting much of his time to tearing to pieces the policy of his competitor. He held that there is no necessity for policies of the industrial type to be complicated with "frills" and speculative features which have crept into the so-called commercial policies. He suggested that the specific loss provisions in the industrial policies are now entirely inadequate and that it might be an improvement to base them on the income provision, instead of the principal sum.

Discuss Special Features

C. O. Pauley of the Great Northern Life led the discussion on: "What defects are there in the phraseology of the special feature provisions—hospital indemnity and surgical benefits? Are amendments to the standard provisions necessary?"

Mr. Pauley reviewed the provisions in a number of policies showing the wide variation in the wording used and suggesting the desirability of getting these provisions on a basis of greater uniformity.

The only discussion scheduled for Wednesday afternoon was one on "The Licensing of Accident and Health Agents," with James F. Ramey of the Washington Fidelity National presiding.

Ray A. Yenter, insurance commissioner of Iowa, who was scheduled to speak Wednesday morning, gave his address at the afternoon session.

James Victor Barry, fourth vice-president of the Metropolitan Life, was unanimously elected an honorary member of the conference at the close of the Tuesday afternoon session.

Discuss One-Meeting Plan

At the executive committee meeting Tuesday night most of the time was devoted to discussion of the proposition of having only one meeting of the conference each year, instead of two, as at present, which has been up for consideration at the last two meetings and apparently was defeated at the Toronto meeting. The committee decided to send out a questionnaire on the subject to all member companies for an expression of opinion, with a statement of the reasons offered for and against the change. The special committee having the matter in charge is to review the returns from these questionnaires and make a definite recommendation at the mid-summer meeting. This action was later approved by the conference.

The executive committee decided to recommend that the mid-summer meeting be held from Sept. 5-7 at the Edgewater Beach Hotel in Chicago.

At the opening of the Wednesday morning session, the two honorary members elected since the last meeting, J. V. Barry of the Metropolitan Life and Ralph E. Richman of THE NATIONAL UNDERWRITER, were introduced and spoke briefly.

J. R. Leal of the Inter-State Life & Accident, president of the Industrial In-

surers Conference, extended greetings from that organization. A telegram was read from F. L. Templeman of the Maryland Casualty, chairman of the governing committee of the Bureau of Personal Accident & Health Underwriters, extending similar greetings.

James S. Kemper, president of the Lumbermen's Mutual Casualty of Chicago, the first formal speaker of the day, whose topic was "Organization in Business," reviewed the work of the Chamber of Commerce of the United States, of which he is a director.

Against Compulsory Law

NEWARK, N. J., March 14.—Motor clubs of this state generally are lining up in opposition to the idea of a compulsory automobile liability insurance law, suggested by Motor Commissioner Dill. They feel that the more essential need is the adoption of a plan that will reduce road accidents, rather than one to compensate those suffering injuries. According to the annual report of Commissioner Dill, 1,042 persons were killed by automobiles in New Jersey last year, an increase of 186 over the record for the preceding 12 months. In the same period 1,636 individuals were convicted of driving while intoxicated, as against the 1926 record of 1,254. How many of the road accidents should be attributed to drunken drivers is not known, but unquestionably the percentage is large. The enactment of a compulsory liability law, in the opinion of motorists, would not induce greater safety on the roads and a reduction in the accident record is what they are especially interested in.

Cooley Resident Vice-President

BALTIMORE, March 14.—The appointment of Herbert J. Cooley as resident vice-president for Brooklyn and Long Island has been announced by the Fidelity & Deposit and the American Bonding Company of Baltimore. George H. Brush, formerly connected with the Newark branch, has been named assistant with headquarters in Brooklyn.

Grants Authority to Settle

NEW YORK, March 14.—Authority to settle out of court certain suits brought against the Manufacturers Liability of Jersey City has been granted receivers of the defunct concern by Vice-Chancellor Lewis. The company has a large number of claims pending against it and it is felt by the receivers that many of these can be disposed of more economically through private settlement than by court action.

Nation's Crime Cost Is Huge

Judge Walker C. Lindsey of the federal court in Chicago, in swearing in the March federal grand jury, said that \$13,000,000,000 are annually spent in the United States in the war against crime.

"This is \$5,000,000,000 greater than the money lent by the United States government to the allies during the world war," he said. "The expense is borne by the honest citizens."

Burglary Heads to Meet

NEW YORK, March 14.—Exercised over the considerable number of mercantile open stock policies sent in for cancellation recently and the resultant disgruntlement of agents, divisional heads of a number of burglary writing companies will meet informally here tomorrow, to consider the general situation.

Held Insurance Contract

Recently a Chicago plate glass company appeared in the field with an offer to sign contracts with automobile owners to replace all broken automobile glass at a low flat annual rate. The proffered contract was in effect an insurance contract and therefore concerned the plate glass departments of all companies writing the line. The heads of these departments brought the matter to the attention of the Illinois de-

partment, which ordered the glass company to discontinue the offer and to cancel any contracts it had written. The department order has been complied with.

Taking Corporate Bonds

In cases where an employer is willing to bond his new employees but objects to bonding his old employees for fear of giving offense, tell him simply that it is no more of an insult for an employer to ask his employees to render him this security than it is for a banker to insist upon his personal friends furnishing adequate collateral when they seek loans from his bank.—Hartford Agent.

Richard J. Hill has been appointed manager of the contract bond department of the Standard Accident at its New York office.

H. H. Woodsmall & Co. of Indianapolis have been appointed local agents of the Century Indemnity for Marion county for all lines.

Hollis F. Danvers of Oklahoma City and Everett B. Price of St. Louis have been appointed field assistants of the casualty department of the Travelers in Chicago.

OPPORTUNITIES

This column serves as a market place where insurance wants may be made known to thousands of interested insurance men. Advertisements which are received before 9:00 A. M. Wednesday are inserted in the current issue. "Opportunities" advertisements are \$5.00 an inch for one insertion.

The National Underwriter
Chicago

WANTED

Casualty Claim Adjuster to manage department for Casualty General Agency in Milwaukee. Address D-77, care The National Underwriter.

WANTED

Several payroll auditors to travel midwest cities for large eastern casualty company. State age, experience and salary desired. Address D-73, care The National Underwriter.

Casualty Company Wanted

A well established General Agency in Milwaukee County wants to make a connection with a good stock casualty company writing all lines. Address D-75, care The National Underwriter.

SOUTHERN TERRITORY

A casualty underwriter with over fifteen years experience in the Southern States both in Home Office Underwriting and the field is desirous of getting in touch with a company that could use his services either as manager of branch office or as executive special agent in the South. Has intimate knowledge of field and is in position to build substantial and profitable business. Correspondence strictly confidential. Address D-76, care The National Underwriter.

Large South Side Insurance Agency wants young man with 1 or 2 yrs. fire or casualty exp. Must have ability to sell. Address D-71, care The National Underwriter.

STATISTICIAN OR ACTUARY

Position wanted as statistician or actuary. Young man, fifteen years' experience in life, fire and casualty insurance, capable of taking complete charge. Member of recognized actuarial society. Now employed. All references as to ability and character. Address: D-64, care The National Underwriter.

1928

com-
d to
The
plied

illing
ts to
r of
at it
oyer
this
e in-
hing
oans

inted
part-
t its

Man-
gents
arion

City
have
the
rs in

ge
ral
77,

rel
as-
ce
are

d
in
a
ity
ss
er.

een
oth
is
ny
ger
ent
eld
nd
ty
nal

cy
re
to
al

cy.
ie,
ng
ac-
ces
64,

SATURDAY
POST

THE SATURDAY EVENING POST

\$850,000,000

have been paid to policyholders by the
Aetna Life Insurance Company and affili-
ated companies in seventy-eight years.

It pays to be Aetna-ized!

The Aetna Life Insurance Company • The Aetna Casualty and Surety Company
The Automobile Insurance Company • The Standard Fire Insurance Company
of Hartford, Connecticut • write practically every form of Insurance and
Bonding Protection.

Æ T N A - I Z E

SEE THE ÆTNA-IZER IN YOUR COMMUNITY—HE IS A MAN WORTH KNOWING

MILLIONS of prospective insurance buyers
will read this full page advertisement in the
March 24th issue of the Saturday Evening Post.

"It Pays To Be An Aetna-izer"

ÆTNA LIFE INSURANCE COMPANY
and affiliated companies

ÆTNA CASUALTY & SURETY CO. AUTOMOBILE INSURANCE CO.
of Hartford, Connecticut

FIRE—AUTOMOBILE—WINDSTORM—SPRINKLER LEAKAGE—MARINE



QUEEN

Ins. Co. of America

Queen Agents from ocean to ocean
are safeguarding with Good Insurance
the Capital and Savings represented
in the Industries, Commerce, and
Homes of America.

INCORPORATED IN NEW YORK STATE 1891

CAPITAL \$5,000,000

HEAD OFFICE: 150 WILLIAM STREET, NEW YORK CITY

WESTERN DEPARTMENT
F. P. HAMILTON, MANAGER
CHICAGO

SOUTHERN DEPARTMENT
S. Y. TUPPER, MANAGER
ATLANTA

PACIFIC COAST DEPARTMENT
H. R. BURKE, MANAGER
SAN FRANCISCO

USE AND OCCUPANCY—RIOT AND CIVIL COMMOTION—PERSONAL EFFECTS FLOATER

1928 Mid-Winter Health and Accident Conference Number

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

FRIDAY, MARCH 16, 1928

Members of

THE HEALTH AND ACCIDENT UNDERWRITERS CONFERENCE

*and other insurers are invited to
communicate with us regarding*

Accident & Health Reinsurance Reinsurance of Double Indemnity

CASUALTY REINSURANCE
AND EXCESS INSURANCE
EXCLUSIVELY

EMPLOYERS INDEMNITY CORPORATION

E. G. TRIMBLE, *President*

HOWARD FLAGG, *Vice Pres.*

KANSAS CITY
CHICAGO NEW YORK

GENERAL AGENTS WANTED

We are operating in 36 states, and have
some very attractive territory open.

We have a few particularly
choice fields left in

Missouri

Illinois

Indiana

*Selling is a pleasure
when you have Continental
tools in your kit.*

*Write our
Agency Department*

LIFE

GROUP

ACCIDENT

HEALTH

CONTINENTAL LIFE INSURANCE CO.

Continental Life Building

ST. LOUIS

MISSOURI

OUR MOTTO:

"A Square Deal to Everyone"

Indiana's oldest and largest Industrial Life Insurance Company, issuing
health, accident and industrial Life Insurance on the weekly payment plan.

Have paid to living policyholders in sick and accident benefits, over
\$3,250,000.

ASSETS OVER \$600,000.00 PAID UP CAPITAL STOCK \$3,000,000.00

**EMPIRE LIFE & ACCIDENT
INSURANCE COMPANY, INCORPORATED**

CHARLES S. DRAKE, *President*

EMPIRE LIFE BLDG., INDIANAPOLIS

The National Underwriter

THIRTY-SECOND YEAR, No. 11-A
EXTRA EDITION 25 Cents a Copy

CHICAGO, CINCINNATI, SAN FRANCISCO AND NEW YORK, FRIDAY, MARCH 16, 1928

HEALTH AND ACCIDENT
CONFERENCE NUMBER

Ask License Change in Pennsylvania

Health & Accident Conference Wants Agents Writing Only
That Line Given Separate Examination—Fix Fall Dates, Place

Discuss Licensing Plans

BY vote of the Health & Accident Underwriters Conference at the closing session of its mid-winter meeting in Chicago this week, a resolution will be sent to the Pennsylvania insurance department, asking for a separate examination for accident and health agents, instead of requiring them to pass an examination on all casualty lines, as at present, in order to qualify for a license. The drafting of the resolution to be forwarded was left in the hands of Harold R. Gordon, executive secretary of the conference.

This action, taken on motion of George Manzelmann of the North American Accident, came as the climax to a general discussion of "The Licensing of Accident and Health Agents," with James F. Ramey of the Washington Fidelity National presiding, in the course of which many strong protests were made regarding the examination requirements set up in "a certain eastern state." Mr. Ramey in his talk had advocated the sending on of such a resolution.

Discussion Opened by James F. Ramey

In introducing the general topic, Mr. Ramey said in part:
"I think all students of insurance agree that a state should have the right, within certain limitations, to properly supervise the business of insurance as well as the business of any other corporation. The license system is a regulatory provision. It provides a record

of those who are engaged in the practice of the business or profession. Every insurance agent should be recorded, and should have a license of authority from the state before entering on his duties.

Should Base Test on Particular Branch

"The business of an insurance agent requires the highest type of salesmanship—his knowledge of the protection he sells—his honesty, sincerity and devotion to the best interests of the public requires a common sense test. He should be a student—not necessarily a graduate of the particular branch of insurance he represents.

"Aside from the fundamentals of insurance and evidences of character, the test of whether an agent should be licensed should be based solely on the technique of the particular branch or branches of insurance he is to sell. In what way does it profit the state or the public for a life agent to know the meaning of the co-insurance clause? Is it a fair test to ask a fire agent the difference between a 20-year pay and a 20-year endowment?

"What does or should an accident and health agent know about life insurance or fire insurance, if he sells neither? In what manner would the public be benefited by a fire agent's activity if he were ever so well versed on the various provisions of accident and health policies, such as hospital clause, double indemnity, illness clause, special policy, regular policy, accident clause, life indemnity, non-confining illness clause, or any other provision that is necessary only in accident and health policies? A life time is too short to learn all there is to know

about either of the three main branches of insurance—fire, life and casualty, and herein lies the root of your difficulties.

Massachusetts Has Logical Method

"I am advised that Commissioner Monk of Massachusetts recognizes the importance of the accident and health business as a separate branch of insurance and bases his questions in examinations for agent's license on the branch of insurance the agent is to sell. This is a logical method, a true test of the applicant's knowledge of the business he is to do. It is fair, sensible and leaves no room for complaint. If an applicant can not answer reasonable questions concerning the particular branch of business he proposes to sell the company cannot afford to employ him, aside from the requirement of the state. But what does it profit a man who he is a Solomon in knowledge of accident and health insurance if he is examined on liability insurance?

"I have seen questionnaires that the combined knowledge of all the 100 delegates present would not suffice to obtain a qualifying percent.

"I believe the futility of questionnaires based on all the casualty lines will give way to the more practical plan adopted in Massachusetts."

Bean Finds Massachusetts Plan Is Satisfactory

H. S. Bean of the Eastern Casualty told of the situation in Massachusetts in regard to licensing of agents. He said that the action there has been hastened by the adoption of the compulsory automobile liability insurance law. He does

(CONTINUED ON PAGE 13)

Meet Again in Chicago

THE annual or mid-summer meeting of the Health & Accident Underwriters Conference will be held at the Edgewater Beach Hotel, Chicago, Sept. 5-7. The recommendation of the executive committee to that effect was adopted by the conference at the closing session of its mid-winter meeting, held in Chicago this week.

There was no opposition to the committee's report on the floor of the conference. An invitation from New Orleans was presented by a representative of the chamber of commerce there, backed up by telegrams from the New Orleans companies, the governor of Louisiana and other state and city officials, but without the dynamic southern eloquence of Ted Simmons, which so nearly carried the convention to his city last year, the members seemed to show little enthusiasm for the southern city. Mr. Simmons wired his regrets at being unable to attend this meeting.

Decide Against Meeting with Claim Association

The Columbus, O., companies also presented an invitation for the convention at the executive committee meeting and there was considerable discussion of the proposition of meeting with the International Claim Association, which will hold its sessions at Old Point Comfort, Va., Sept. 10-12. In addition to the distance of that location from the cities of the central west, the point also was raised that it is impossible to have as



J. W. SCHERR
President of Conference



W. W. POWELL
Chairman Executive Committee



C. NORMAN GREEN
Secretary of Conference



HAROLD R. GORDON
Executive Secretary

satisfactory a convention the last three days of the week, when many of those in attendance have just been through three days of another convention, as the experience of the last two years has shown.

The question of whether one or two meetings shall be held each year also came in for considerable discussion by the executive committee. It has been up for consideration at the last two meetings, but wouldn't stay dead. The committee finally decided to conduct a referendum for expressions of opinion on the question by conference members. The letter to be sent out is to give arguments for and against the change. The returns are to be reviewed by the special committee which has been considering the subject, headed by Executive Secretary Harold R. Gordon, and that committee is to formulate definite recommendations on the basis of those returns, to submit to the conference at its next meeting.

The decision on the carrying out of the proposed revision of the conference classification manual was put up to the executive committee, to which the question was referred by the conference, with power to act. The matter came up in connection with the report of the manual committee, which outlined the

Agents at Conference Take Active Part in Discussions

THE innovation of bringing in a number of agents, by reason of the fact that Tuesday afternoon's session was devoted entirely to a consideration of agency problems, proved to be very successful and the contributions made by the agents in the general discussion at the round table sessions were of great interest and value.

"Accident and Health Agent" General Theme

The general theme for Tuesday afternoon, "The Accident and Health Agent," was introduced by the address of Armand Sommer of the Standard Accident in Chicago, who reviewed some of the notable developments in the business and their effect on the agency force. F. L. Barnes of the Sentinel Life presided over the round table session and E. J. Faulkner of the Woodmen Accident introduced the first topic, "How is effective supervision of the accident and health agent best accomplished?" He told of the practices of his own company and raised some points that were decidedly provocative of discussion.

Should Money Angle Be Stressed with Agent

One point which caused considerable discussion pro and con was Mr. Faulkner's suggestion that the question of the money to be made in the business should be made incidental in presenting it to the new agent with the primary emphasis laid on the service that the agent can render. Some of the other executives, and some of the agents who took part in the discussion said frankly that they would never have entered the business if they had not considered it attractive from a financial standpoint. They would stress the fact that good money can be made if the agent works, and works hard.

Dr. Ira C. Fisher of the Ohio State Life inquired as to what financial aid is given to new men. Mr. Faulkner replied that with possibly a very few exceptions, his company does not finance new agents; also that it accepts no notes, requiring all premiums to be paid in cash.

Net Policies at a Price, but Coverage at Adequate Premium

F. M. Feffer of the Abraham Lincoln Life in discussing the general question of supervision said his company believes in the general agency system, allocating territory big enough to be worth while but small enough to be developed thoroughly. He considered that everything depends on the key men selected to supervise these territories. His experience has been that the best results are obtained with men of no previous experience, taught in the ideas and ideals of a company. His advice was that agents should be taught not to sell policies at a price but coverage at an adequate premium.

E. H. (Count) Mueller of Madison, Wis., state agent of the Southern Surety, was the first of the agency contingent to take the floor. He spoke particularly of the value of contests in stimulating agents and said that in a contest in which his agency recently participated it wrote three as much business in six months as it had for all of the previous year. He admitted that there are some objections to contests, particularly the danger of getting a certain amount of high pressure business, but considers that this is overcome by the arousing of enthusiasm, which he characterized as the greatest thing in the business.

Has Had Success in Bringing in New Men

E. A. Johnson of Chicago, Illinois state manager for the Inter-Ocean Casualty, told of his success in taking men from other lines of work who had never heard of insurance. One man, after 15

years in the hardware business, started work two years ago in a town where the company at that time was collecting only \$15 a month. After a preliminary preparation through study of the Accident & Health Bulletins, he wrote an average of 100 policies a month for his first six months and is now collecting \$1,700 per month. His income for the two years in commissions and bonuses has exceeded \$15,000. Mr. Johnson has found good results in the paying of bonuses for the making of a specified production within a certain time.

S. R. Orwall, manager for the Mutual Benefit Health & Accident in Chicago, suggested that the great essential is to give a merchantable article and create a public demand for it.

Relation Between Agent and Adjuster

The question of the relation between agents and adjusters, introduced by Edgar Harold of Chicago, claim representative of the Pacific Mutual Life, also brought out some interesting discussion from both agents and company men. Mr. Harold gave a number of suggestions as to ways in which agents can cooperate with and aid adjusters.

Fred Fleischer, Chicago general agent of the Abraham Lincoln Life, who was stated by F. M. Feffer, vice-president of the company, to have held his claim ratio down to 25 percent for six years, said that in starting a new man into the field he emphasized the necessity for keeping the amount of the indemnity down. If a working man earning \$30 a week, finds out that he can make \$40 or \$50 a week by being sick, he is going to be sick.

Mr. Fleischer also makes a personal inspection of applicants so far as possible. When he finds a man that is over-insured, he suggests that the policyholder cannot afford to carry so much insurance. "I make no objection to his dropping our policy instead of the others he may have," said Mr. Fleischer, "and let the other company pay the bill." He impresses on new men that their business must be of good character. "You are opening up in business for yourself," he tells them. "If the business is not profitable, you are going to close your doors."

Donald A. Drury of the Massachusetts Accident in Chicago declared that every minute an agent spends in helping to settle a claim will pay dividends to the agent and also to the company. He makes it a practice to have the agent look over each claim. The policyholders' prime interest, he said, is in the agent and if the agent keeps in close touch with them, especially at claim times, it opens up a great field.

Claim Man Must Also Be Good Salesman

A. F. Wine, field supervisor of the Great Northern Life, speaking of the adjuster from the field man's viewpoint, said that the successful claim man must be a good salesman as well. "He must sell the company and leave a good taste in settling claims. If the agent is unscrupulous, that of course makes it much harder for the adjuster. There are, however, some agents and general agents that settle their own claims and have been able to maintain a low loss ratio. They know their people—who is apt to malingering, all the surrounding conditions, and what is really due on a claim."

H. S. Bean of the Eastern Casualty said that agents should be the adjuster's unofficial advisers in the field. In ordinary claims the adjustment has to depend on him on large measure. He said that a fundamental of a proper settlement is not only that it shall be just but shall be made in such a way as to satisfy the policyholder.

W. J. McGettinen, Denver adjuster, told of a case in which the policyholder, earning but \$15 a week, was insured for \$125, and wanted to know how such

over-insurance could be avoided. C. O. Pauley of the Great Northern Life suggested that this information could usually be obtained from the reporting bureaus.

Edgar Harold declared that every crooked claim will have some earmark, usually in the first statement submitted, that will enable the adjuster to spot it as such. He added, however, that crookedness is found only in isolated cases; that 95 percent of them are regular and are paid promptly. Dr. Fisher of the Ohio State rather questioned the "earmark" statement and said there was a case in his city, with eight companies interested, which all of them believed was crooked, but in which none of them had been able to find the weak spot.

How Physician Can Affect Claim Ratio

E. C. Bowlby of the Fidelity Health & Accident, in showing how much effect a physician can have on claims, told of visiting a town where his company's claim ratio was about 100 percent, with most of the claims from patients of one of the town's two doctors. Mr. Bowlby started in to convert the doctor, who said frankly that he was getting nothing out of the insurance company, while his entire living came from his patients; there-



JAMES F. RAMEY
Washington Fidelity National

changes that are proposed and asked for instructions as to whether it should go ahead with a general revision, or merely embody the changes in a supplement to the present manual. There seemed to be considerable feeling that unless there is some special reason for it, a revision of the manual once in five years is often enough. The last one was in 1925, which under that plan would throw the next one over to 1930. It was decided to refer the matter to the executive committee because of the difficulty in determining at this time just the extent and effect of the proposed changes in classifications.

New High Mark for Attendance Is Set

The meeting set a new high mark for attendance, with a registration of 92 members and 68 guests, a total of 160, representing 42 companies. The attendance was increased materially by the presence of a considerable body of field men, brought to the conference by their companies at the suggestion of the executive committee, in view of the stress laid on agency matters at this meeting. The agents in attendance also contributed very materially to the discussions at the round table sessions, which were admittedly the most spirited and interest-sustaining ever held and were probably the biggest factor in making the meeting an especially successful one.

John T. Hutchinson of Detroit, secretary of the Insurance Federation of America and conventioneer extraordinary, was on hand as usual.



E. C. BOWLBY
Fidelity Health & Accident

fore, he was looking after their interests. Finally, he was sold on the idea of what insurance really is, and the claim ratio showed an immediate drop.

E. A. Johnson of the Inter-Ocean told of some unusual claims he had handled, in which a skeleton course he had taken in law and medicine was put to good account.

The third section of the agency round table, on "What should be the relationship between the underwriter and the accident and health agent?" was dropped on account of the absence of L. J. Leahy, general agent of the Federal Life, who was to have led that discussion.

Membership at 100 Mark

With the admission to membership of four new companies, the Century Indemnity of Hartford, Great Western of Des Moines, Chippewa Valley Casualty of Milwaukee and Mountain States Life of Hollywood, Cal., the conference roster now stands exactly at the 100 mark.

Three other companies, the Midland Casualty of Milwaukee, Lumbermen's Mutual Casualty of Chicago and Southern Travelers Benefit of Dallas, had been admitted since the last meeting while three former member companies which have been reinsured within that period dropped out of the conference ranks on that account.

F. W. Benjamin, manager of the accident and health department of the Commercial Casualty, who attends many of the conference meetings, although not a member of the organization, was one of the early arrivals.

Accidents, Illness Cause Social Loss

By ALLEN D. ALBERT

THE social system of reducing waste through insurance is so new, so young, that it is not yet in good standing among all men. You can defend insurance against any attack if it has to do with a ship putting forth to sea, or a building in danger of fire, or a jewel that might be stolen. Men have come more slowly to recognize the fundamental economic soundness of it as a protection against the death of an earning power. Our English-speaking people now take credit for having generally accepted the principle upon which life insurance is based. They are only coming to understand that every element of value represented in marine insurance, fire insurance and life insurance is an argument more expressive for insurance against the temporary interruption of life through ill health or injury.

Thus we have another of those paradoxes which lift themselves so strikingly into view as one studies insurance as a social institution. If it were well

probably has a wife and a couple of children. They are probably making payments on a home. Perhaps there is an older relative to whose support they are contributing. They are buying an automobile on time; they are customers of the grocer, the department store, the bake shop, the drug store. They contribute regularly to their church. They pay taxes. They have taken out policies of life and property insurance. Now, assume that the family income is suddenly suspended, and I defy you to find the last link in the social coat-of-mail which he will move. If he does not pay his taxes his little home will be subject to sale for a claim prior to the mortgage. If he does not pay his merchants, in due proportion they cannot pay their supply houses. If he cannot send his children to school, who is there that can measure the last of the economic consequences of their reduced education?

Adjustment More Difficult Than in Case of Death

As Professor Huebner suggests, though death may be ever so serious, and the payments upon a life policy ever so important, families do adjust themselves to it; but a continuing illness, a permanent incapacity, a seemingly transient economic upheaval in the family may very easily produce consequences more difficult to control and ultimately more costly than death itself. Suppose we try to speak without human sympathy and put it thus:

If a man dies, his half-grown children face the situation, adjust themselves to it, and piece out their education with night school. Their problem, after all, is primarily a problem of self-care. Suppose, however, that the father has a nervous breakdown. He must be cared for. It is almost beyond human nature to ask the family to accept the conclusion that he will never be an earner again. No matter what they do they have the added expense of his treatment.

As one considers all of this he is puzzled not that progress should have been made in health and accident insurance in late years, but that it should have not come earlier and been not more broad.

Humanity is gaining, especially in the English-speaking countries, in its contest with death. What informed person will venture that it is gaining in its contest with accident? In the Middle Ages the average of life expectancy was 22 years; in 1850, the average in the United States was 40 years; in 1928 the average here is 58 years.

We are justified in concluding that humanity has won a victory over the infectious diseases of childhood, and that

it is seriously entering upon a war against the diseases of middle life. One cannot found a corresponding hope upon any inquiry into the statistics as to accident.

A committee on traffic accident statistics has reported to the Department of Commerce an estimate that if the death rate from automobile accidents in 1925 were to continue, neither increasing nor decreasing, for the ensuing 20 years, and the population of the United States were to remain stationary, the number of fatalities of this class will be approximately 440,000. If the population were to increase as now it is increasing, the total number of deaths of the next two decades will extend to 520,000. This is only one evidence of the difficulty that follows in the wake of every social change.

What this total of accidents involves in money, with its incidental destruction of earning power, its outlays for care and medicine, its derangement of industrial and commercial management, no man can even guess. Dr. Louis I. Dublin, statistician with the Metropolitan Life, makes a partial estimate of the cost of sickness, apart from accidents, at \$2,250,000,000 a year. I have no warrant for thinking that 90,000 fatal accidents indicate a total loss from accidents which is less than that due to sickness. Professor Huebner calculates the earning value of the American people at about \$50,000,000,000 a year. How can any man question the approximation that much more than one-tenth of this total is sacrificed every year through accident and ill health?

Social Standards Are Slowly Changing

One of the evidences that our social standards are changing slowly is afforded by the fact that while this total loss is probably six times as great as all fire and marine losses combined, yet the premiums paid for death and accident insurance in the United States are now probably less than one-tenth of those paid for marine and fire insurance.

Some of this discrepancy is unquestionably due to technical obstructions in the field of accident and health insurance. Experience has made it plain that house confinement as a condition for payment of total disability benefits was in many instances unfair to the honest policyholder. Likewise, the period in which a specific loss through disability or death must occur, is gradually being lengthened. So, in further illustration, the business of accident and health insurance has expanded far beyond the

extraordinary hazards with which once it dealt.

I am confident that the human attitude toward accident and health insurance might be regarded as having two larger phases: One is the indisposition of the representative modern man of family to think of insurance at all. The other is his special dislike of dwelling upon the possibilities of sickness or accident. If the salesmen for accident and health insurance will adjust themselves to this double problem of public attitude I feel that the executives of insurance companies can be trusted to develop accident and health policies which will be open to less and less of justified objection. Not better policies but better understanding is the great need.

If there is to be such a better understanding it must begin among the men who purvey accident and health insurance. All that I have written and said to other groups of insurance men as to the need of general education, organized



C. W. RAY
Hoosier Casualty

to insure a man's family against the cessation of his earning power through his death, why should it not be better to insure his family against the sacrifice of his estate or his earning power while he lives? Life is more precious than property.

So we come to the most important thought I shall advance: One student would caution his fellows against the assumption that ill health and accident are largely individual disasters. We do not half comprehend them in their implications if we do not think of them as invariably involving many individuals.

Ill health and accident would be costly enough if only for the worry, the grief, the terror they impose upon the relatives and the friends of the patient. I would count this one of their major consequences. But it is far from the only one. Hardly an employee in a business has a post which can be vacated temporarily without a loss to the employer. Do you question this? Why, then, do we employers dwell hour after hour upon the expense of what is termed the labor turnover? One of the things which men find it hardest to comprehend is that human society is a kind of chain armor—you cannot move any link without disturbing scores of others.

Economic Effect of Suspended Employment

Consider the effect of suspended employment in its economic expressions. Assume the sufferer is a skilled workman of the linotype operating level, and set up about him the conditions which are reasonably likely in such a case. He



JOHN PATTERSON
Massachusetts Bonding

personal contacts, the advance preparation of prospects, the use of established channels of news and public information, and as a last move, institutional advertising, applies with more force to accident and health insurance than to insurance of any other kind.

Contributes to Every Legitimate Business

The significance of that declaration that accident and ill health reach onward and outward from the bed of the patient to the cashiers' desks of the community, lies here: When insurance reduces or offsets the waste of an accident or a sickness, it is contributing direct income to every legitimate business enterprise of the neighborhood.

Every credit manager, every banker, every professional practitioner, every employer, every merchant, every sharer in the objectives for which taxes are outlaid, is the business partner of the insurance company which writes policies against accidents and ill health.

Someone will suggest that it is no small matter to persuade those allied branches of business of their own partnership with the insurance company, to be sure! What of it?

The truth of it is beyond all gain-saying. The task of organizing for the teaching of it, the obstacles to the teaching, the necessity for employing unusual abilities—these constitute a challenge to the institutions here represented. If you cannot meet such a challenge, I hardly need suggest to you the obligation upon you to make way for men who can.

STATISTICAL COMMITTEE REPORTS

The report of the statistical committee, prepared by Chairman L. D. Cavanaugh of the Federal Life and presented to the conference by C. W. McNeill of the Massachusetts Accident, referred to changes made in the methods of collecting data, under which it is believed more detailed and valuable statistics can be produced. At present 14 companies are furnishing their experience to the bureau and four more have promised to start reporting soon.

At the beginning of the fifth year since the conference started to compile statistics, the committee expressed the belief that the results have been well worth while and that the value of such statistical work is coming to be more and more recognized by company officials.

Last year the statistical bureau issued a series of reports presenting statistical

data on accident and health insurance according to age groups, occupations, classifications, geographical location, diseases, type of accidents, and duration of disability. Most of this data included an experience of two years, but the reports which will be issued from time to time during the current year will include an additional twelve months of experience, thus enlarging upon the scope of the data and making it more reliable and accurate. During the current year the bureau will be prepared to analyze its experience by amount of monthly indemnity issued, obtain some data on hospital indemnity, and to make a study of lapse ratios. All of these subjects are of more than usual interest to the management of conference companies and it is believed that any data which may be furnished along these lines will be of considerable value.

Are Changes Needed in Policy Forms?

Uniform Wording Helps

BY E. C. BUDLONG,
Vice-president Federal Life

I BELIEVE the uniform phraseology as recommended to the conference by the special committee will, if generally adopted, be helpful both to the agent and the company. I do not find therein a single clause which can be criticized as being in any way misleading or indefinite, which is more than can be said of many policies used in the past.

In the days when the standard provisions were first proposed, the fear was frequently expressed that the tendency to standardize policy phraseology was objectionable and that an accident and health policy should not be stand-

same time would protect them against the wasting of ink on claim checks. A court decision that a sore heel from a new shoe was the result of accidental means and immediately disability due to friction of footwear or clothing was added to a long list of "exceptions."

This organization was originally made up of companies writing monthly premium business, and at various times attempts were made to standardize the coverage of such policies. The committee report does not recommend uniform policies, but uniformity of certain phraseology.

No Need for "Frills" in Industrial Policies

In my opinion there is no necessity for policies of the industrial type to be complicated with the "frills" and speculative features which have crept into the so-called commercial policies—in fact such policies need not have been based on benefits as offered in commercial forms. For example, the \$5,000 commercial policy pays the face of the contract for loss of both hands, both feet or both eyes, and one-half of the principal sum for loss of a hand or foot, and one-third for the loss of one eye. These amounts are reasonably adequate on a \$5,000 or \$10,000 policy. They are woefully inadequate on a small policy, and with only \$100 principal sum down in Class F, X and XX, the agreement to pay for five years or even for life for loss of time and then limiting the amount payable to \$33.33 for the

loss of one eye is ridiculous to say the least.

The catastrophe hazard of coal mining and certain other dangerous occupations was probably responsible for this freak and it cannot be denied that the limitation of death indemnity is proper, but to offer a man \$33.33 on a policy which promises him, say, \$60 monthly when he has suffered a loss which is almost more tragic than death, is a reflection on the good common sense of the accident insurance business.

Base Specific Losses on Income Provision

I believe that these specific losses should be based on the income provision of the policy, limited to a certain number of months and at least equal to the amount which would be payable under a principal sum payment of \$1,000 for each \$20 of monthly indemnity. Naturally such a policy would justify a higher premium charge. In other words, eliminate the fractional specific benefits and pay a monthly income up to a definite amount stated in the policy. This same theory applies with equal force to all policies issued with unlevel indemnity.

I am offering this suggestion not because there is a great demand, but as a matter of granting a reasonably well balanced policy of insurance and good service. Eye, hand and foot losses are comparatively infrequent, but when they do come, the policyholder is left without adequate protection.

Discuss Special Features

THE confusion now existing in regard to hospital indemnity and surgical benefit provisions in accident and health policies and the desirability of some changes in those provisions were emphasized by C. O. Pauley of the Great Northern Life in introducing the section of the round table discussion at Wednesday's session devoted to that topic. In bringing up the subject, Mr. Pauley referred to the report of the committee of which he was chairman, providing a proposed uniform wording for a number of policy provisions, and said that the report had attracted much more attention than was expected. He stated that while he is strongly in favor of uniform phraseology in certain provisions he is not in favor of a standard policy. He stated



E. C. BUDLONG
Federal Life

ardized to the point of eliminating competition by putting all forms on the same basis as in fire insurance—and who ever heard of two fire insurance agents discussing policy phraseology?

Less Tearing to Pieces of Competitor's Policy

We can all remember "way back when" the accident insurance salesman spent most of his time tearing to pieces the policy of his competitor. The adoption of the standard provisions has at least narrowed that class of competition down to the point of closely analyzing the "miscellaneous provisions" of the policy, although it is only occasionally that one finds even in this patchwork quilt anything detrimental to the interests of the policyholder, or in fact anything which could not have been embodied in the original list of standard provisions, including the important and much discussed "compliance" clause.

In short, there is plenty for the agent to talk about in connection with the need for insurance protection without wasting his time trying to explain to the average prospect the difference between "accidental means" and the "happening of a purely accidental event" even if he thinks he knows the difference. Arguments which merely tend to arouse suspicion and doubt in the mind of the prospect are as negative in character, as the advertising of cigarettes "without a cough in a car load"—we always suspected they irritated the throat—and now we know it.

For many years companies vied with each other in the art of phrasing clauses which sound liberal and which at the

WHEN CAN POLICY BE PROPERLY CLASSIFIED AS "NON-CANCELLABLE?"

THE discussion on the question of uniform phraseology for certain clauses of the accident and health policy, along the lines already recommended by a special committee of the conference and approved by the conference itself, wandered rather far afield at times, with the greatest interest apparently manifested in the discussion of whether or not a policy that can not be cancelled within the term for which it is issued can properly be termed "non-cancellable." Some participants in the discussion contended that such a designation was entirely legitimate, while other insisted with vigor that it was wholly unfair.

Real "Non-Can" Should Be "Guaranteed Renewable"

The question really was brought up by a reference to such policies made by E. J. Faulkner of the Woodmen Accident in his opening of the round table on agency supervision at Tuesday's session. In the round table on "The Policy Contract" Wednesday, E. C. Budlong of the Federal Life, who led the discussion, said that the designation was all right, and that the form generally referred to as non-cancellable should properly be designated as a "guaranteed renewable" policy. He considered that the use of the name "non-cancellable" in connection with such contracts really has a negative effect.

D. G. Trone of the Indiana Travelers Assurance was one of those who took the position that referring to a policy that can not be cancelled during its term as non-cancellable is unfair competition. He told of a rather unusual situation that exists in respect to his company. The traveling men's policies that it formerly issued had no age expiration limit and no cancellation clause, and were non-cancellable in the fullest sense of the term. There is no way to get rid of them if the policyholder keeps on

paying the premium. Now the company has changed over to the standard commercial policy, with the usual cancellation clause, but finds that some advantage is being taken by other companies of the use of this clause.

Royer Gives Experience in Use of Both Forms

H. G. Royer of the Great Northern Life said that his company writes both forms. The policy it is selling most has the cancellation clause omitted, but no reference is made to that fact in the literature sent out with reference to this policy. He is opposed to the idea of meeting competition by duplicating another company's policy, and prefers to get out something new instead. He expressed his strong belief in the idea of uniform phraseology and asserted that some policies had been put out with some minor change in wording, merely as a basis for switching business. On the regular non-cancellable form, he said his company's business has not been extensive enough to give much experience. It has adopted the aggregate indemnity provision, not because its claim experience on life indemnity had been unfavorable, but because of the possible requirements of some insurance departments in the matter of reserves on cases where it appears that lifetime disability is probable.

Finds "Non-Can" Claims Lower; Renews Better

J. R. Austin of the United Craftsman said his company's experience on non-cancellable has been entirely satisfactory. Claims are lower than on the cancellable forms and the business renews much better. He said that special care is exercised in underwriting and if there seems to be any prospect for a claim in the near future, the policy is ridere before it is issued. He thinks the great danger in non-cancellable is

(CONTINUED ON PAGE 6)



C. O. PAULEY
Great Northern Life

that the business is still at a stage where many experiments will be necessary, non-cancellable being one of these, and that the best forms and methods can be learned only by experiment.

Four Principal Elements in Hospital Clause

Taking up the hospital indemnity clause, he said that there are four principal elements—the institution, the time when hospital confinement must begin, the period for which hospital benefits will be paid and the amount to be paid. He reviewed the hospital benefit clauses of a large number of policies, showing how extreme was the variation in the wording and conditions imposed.

Hospital Indemnity Basis Should Be Reimbursement

Taking up particularly the conditions under which hospital indemnity is paid, he said that the basis should be reimbursement, and not a flat percentage of the weekly indemnity, regardless of amounts expended, as is provided in some policies. He referred to cases where a man's hospital expenses may all be paid by the employer or the compensation carrier under the workmen's compensation law and showed that under such a provision these payments will have no effect on what he could collect under his accident policy. Reference was also made to cases in which a man may have several policies, each one agreeing to reimburse him for hospital expense. Under the policy provisions it would be necessary for each company to pay up to the limit provided in its policy, regardless of what the other companies

The Progressive Company

*Missouri State Life by its consistent
growth and high service ideals
wins distinctive title*

IN twelve years from a hundred million to *three-quarters of a billion* of insurance in force! And despite its outstanding record of gains for 1927—its record year—the Missouri State Life has closed the first two months of 1928 with an increase in its written business of 12.7% over the first two months of last year.

The Company's remarkable growth and vitality is the result of its high conception of service, its sound financing program, and its complete multiple line of insurance.

Aggressive life insurance men like Missouri State Life underwriting methods. Prompt, efficient handling characterizes every detail of the Company's dealings with its representatives and its policyholders. It offers *progressive service* . . . new policies, new sales ideas, new selling helps.

Exceptional opportunities are open to good men in any of the forty states where the Company operates. Write for Agency proposal.



MISSOURI STATE LIFE INSURANCE COMPANY

Hillsman Taylor, *President*

Home Office, St. Louis

Life

Accident - - Health

Group

MISSOURI STATE LIFE INSURANCE CO.
ST. LOUIS

Send me your Agency proposal

Name _____

Address _____

Getting and holding A-H business

AGENTS have a hard enough job at best. We believe a company should make this job as easy as possible, because increased production naturally follows:

Perhaps we may be pardoned if we tell how we go about the job of making it easier for our agents to write more business.

1. Attractive policies, with practically no limitations and restrictions, at a fair price.
2. Printed salesmanship which may be sent to prospects before the agent calls.
3. Printed salesmanship which may be used by the agent during the interview.
4. Close personal attention to agents' welfare by company officials, who "came from the ranks."
5. Competent training in insurance, salesmanship and insurance salesmanship by men who have made good in the field.

And what is more—

Beside helping put business on the books, we help it stay there, by a conservation system which is saving thousands of dollars in premiums.

We are glad to talk things over with good salesmen, provided they are not under contract with some other company.

Great Northern Life Insurance Company

110 So. Dearborn Street
Chicago

EASTERN CASUALTY INSURANCE COMPANY

Park Square Building
Boston, Massachusetts

H. S. BEAN, President

Income
Protection

Liberal Contracts
Good Territory

8c a week is the cost of The National Underwriter by annual subscription.

are paying. He said that under the standard provisions, it is doubtful whether it would be possible to pro-rate such claims.

Criticism also was directed toward the basing of the hospital indemnity on the amount of weekly or monthly indemnity. It was contended that this plan does not give sufficient or proper coverage, as a man's hospital expenses have no relation to the monthly indemnity feature. It costs a man who is receiving \$25 a week just as much to be in the hospital as it does the one drawing \$200 a week. Efforts have been made to take care of this feature in a special hospital policy, but the experience on that form has been none too favorable. Mr. Pauley said, as it offers a direct invitation to the man who is expecting to go to a hospital. He considers it doubtful whether it would have the same effect if a provision were incorporated in the regular policy, providing hospital benefits in a specific amount, with the charge for those benefits graduated according to the amount.

Surgical Benefits Also Open to Objection

In connection with the surgical benefit provision, he said that it is open to practically the same objections. In his own company, probably one-third of the claims are for small medical bills. Dentists' bills are often included, and it is difficult to draw the line there. He said that if any further changes are made in policies by his company, he is inclined to "forget" that provision entirely.

Regarding the necessity for amendment or changes in the present standard provisions, Mr. Pauley pointed out some features in the present wording that are not wholly satisfactory, but considered that with the standard provisions now in use in 20 states, the uniformity thus secured is more important than any minor changes that might be made, and that furthermore it might be a dangerous proposition to start the legislatures to tinkering with them.

Executives Tell of Company Practices

Virgil O. Nutt of the Great Western said that his company has eliminated the sickness fees in the surgical clause, but pays in accident cases. If this were not done, he said, the company would pay in most cases for partial disability. W. W. Powell of the Southern Surety stated that his company has decided to leave out the non-disability sickness clause. E. C. Bowlby of the Fidelity Health & Accident said that his company pays only in accident cases and never has in sickness.

E. C. Budlong of the Federal Life expressed the belief that a provision providing for specific hospital indemnities at an extra premium could be incorporated successfully in the regular policy, although such a policy issued alone does not give a bad selection. He said, however, that his company's experience on the special hospital policy has not been particularly unfavorable.

Restrictions on Class of Institutions Recognized

M. W. Hobart of the Ministers' Casualty Union in referring to the restriction as to the class of institution that would be recognized thought it was advisable to exclude sanitariums, in order to eliminate those who would take a "rest cure" at the insurer's expense. R. L. McQuat of the Business Men's Indemnity spoke of some cases of that sort he had had. He thought that restricting the benefits to a "licensed hospital" would protect the company in many such cases.

James F. Ramey of the Washington Fidelity National stated that one insurance department recently refused to approve a policy which provided for reimbursement only in hospital benefits and it stated that it was going to require all companies to eliminate such provisions. He suggested that it might be well not to go too far along the line of uniformity, or some of the departments that are rather arbitrary will do the "uniforming" for the companies.

WHEN CAN POLICY BE CALLED "NON-CANCELLABLE?" (CONTINUED FROM PAGE 4)

in a policy that pays "as long as you live and suffer."

Mr. Budlong emphasized that the non-cancellable policy is properly intended only for the big business man, as catastrophe insurance, and many agents are likely to go out and spoil their own business by trying to write it on other classes. On that account his company is giving the privilege of writing it only to agents who know what it is all about.

Approval of Uniformity Idea Is Expressed

On the general question of uniform phraseology, H. S. Bean of the Eastern Casualty expressed his approval of the idea, especially for the insuring clause, saying that it would help the agent by doing away with unfair competition and that it would also be of value from the company standpoint, as it might give a basis for a court interpretation which would be more generally applicable than the present decisions, which necessarily involve such a variety of wordings.

W. G. Tallman of the Great Western



A. J. ALWIN
Minnesota Commercial Men's

was doubtful about the practicability of putting a uniform clause into effect, because of the fact that it is hooked up so closely with other provisions of the policy. He said he had had no trouble with the present clause.

F. M. Feffer of the Abraham Lincoln Life said it is a fine thing—if everyone will do it. In any event he regards it as a great forward step. If uniformity makes men get out and dig up new prospects, he said, it will do great good.

Many Deaths in Ranks

The heavy toll of death in the accident and health ranks in the past six months was evidenced by the report of the resolutions committee, in which tribute was paid to the memory of W. R. Saunders of Cincinnati, former president of the conference; G. Leonard McNeill and C. M. Adams, both of the Massachusetts Accident; H. B. Hawley of the Great Western; James Spangler of the Woodmen Accident and Mrs. E. J. Faulkner, wife of the president of that company, all of whom have died since the last conference meeting.

C. F. E. Peterson of the Progressive Assurance, following the address by Allen D. Albert, paid a high tribute to Dr. Albert's work in Minneapolis while a resident of that city as a fearless editor and fighter against the evils that existed.

Future Accident and Health Salesman

By ARMAND SOMMER

Chicago Manager Accident and Health Department, Standard Accident

THE future is not a distant and abstract set of conditions that will occur regardless of our deeds and thoughts of today. Every action of today has a vital reaction on tomorrow and if we can analyze the activities of the present as these conditions will affect the future our discussion will be both practical and profitable.

The agent is the strongest link in the chain of accident and health insurance, but in order to obtain a satisfactory analysis of the future of the agent we shall have to treat the entire future of our profession.

Agent of Higher Type Than Ever Before

The accident and health agent today is a higher type of man than ever before and he represents a better moral and ethical character each succeeding year. The swashbuckling and ever-officiously persevering salesman once pictured in the public mind is in reality disappearing and is rapidly fading from public consciousness.

The insurance buyer knows the value of the insurance salesman and instead of taking the policy to remove the agent's shadow from the doorstep, the purchaser buys to reap the benefit of the sound judgment and business advice given by the agent.

The knowledge of business and finance which has been so valuable to the life agent and to the life insurance profession will be of invaluable help to the accident and health salesman. No program mapped out by a life insurance salesman is complete without income protection if the contingency of actual death is through accident or disease changed to the plan destroyer of an economic living death.

Life insurance is merely income protection after death, whereas, our coverage is the same protection during economic death.

Field for Business Accident and Health

The field of business accident and health as distinguished from strictly personal accident and health has not yet been touched. Occasionally a ripple of the wave that will some day bring untold business accident and health insurance premiums is evident. Group insurance is becoming better known and more frequently sold; partnerships, corporations or individually owned concerns are taking advantage of business accident and health insurance with the realization that loss of time by their guiding power can badly handicap credit and the earning power of the concern; the recent spread of installment purchase insurance is a minor hint of the possibilities of accident and health as a credit protection. The foundation of industry and commerce is credit and one of the mainstays of credit is earning power. The future of business accident and health insurance is unlimited.

Confidence in Accident and Health Insurance Growing

The enormous amount of accident and health insurance sold by agents virtually strangers to the buyers and in companies little known to the policyholder is a tribute to the conduct of our business by both the company and agent.

The rapidity with which a new company can develop its premium volume and the short length of time in which a neophyte insurance agent can create a comfortable commission income shows that the public has the utmost confidence in accident and health insurance and in the agent that sells it. The strength of the future will be a reflection on the agent of today and we can all do our share by sincere and studious efforts to continuously increase the public confidence.

Policy Today Deserves Respect and Praise

As a corollary to the confidence of the public in the agent, we can see that the policy of today is one that is deserving of respect and praise and is one in which both the agent and the company can feel pride and satisfaction. The policies are complete and unrestricted and the company adjuster is not taking advantage of technicalities nor is he attempting to underpay the assureds. The policyholder who is ill or injured can be certain of prompt, cheerful and equitable treatment from his company, and we could eliminate the policy contract from our discussion with the happy thought that the policy protection was heading in the right direction. However, there is one development that cannot be overlooked and which we are very pleased to contemplate due to the very satisfactory manner in which we have arisen to the occasion.

For the first time since the origin of accident insurance we have been economically challenged and rapidly and

unflinchingly we have borne the burden imposed upon us. With the beginning of the faintest hint that some day an individual more foolhardy and adventuresome than his fellow men would attempt to build a contrivance that would enable him to fly, the accident companies immediately and emphatically eliminated airplane accidents of any nature from the coverage of their policy, and rightfully so, as the hazard was one that could not be included in the days of the occasional crude and spectacular flight. Aviation quickly outgrew its swaddling clothes and gave promise of becoming an important factor in the industrial and commercial world, but it was not until the last two years that it became very apparent that modern business needed the airplane. Our commercial existence has been metropolized and the easy going transaction of the past has become the rapid and energized venture of today with every indication that the present industrial era is snail-like in comparison with the future.

Insurance Companies Came to Rescue of Aviation

The business man is wary and will not speculate. No matter how badly he should be needed in New York City within a few hours and regardless of the financial forfeit for his non-appearance, he could not stake his all by jumping into an airplane and running the risk of depriving his family of his earning power; his insurance became automatically suspended and though he did not physically fear the airplane, he could not even remotely consider leaving his family financially dependent. Commercial aviation could not prosper without the cooperation of the insurance companies

More Than \$2,000,000.00 Paid at the Time When Most Needed

Just when the clouds are darkest, and the times hardest, the BUSINESS MEN'S ASSURANCE brings cheer and financial aid into the homes of its policyholders. Last year \$2,326,486.41 was distributed among 31,197 policyholders and beneficiaries; some of these because of a sudden and costly accident or illness; others because of the death of the salary earner. In each case the prompt payment by the B. M. A. lightened the burden of strained or depleted finances.

Every dollar received at such a time is equal to twice that amount when the need is less urgent. And each year the service rendered by the Company and its 500 salesmen, extended over 29 states of the Union, grows broader in both scope and volume.

Distinctive Features of 1927

1. \$2,326,486.00 Paid policyholders and beneficiaries
2. \$5,218,078.52 in cash income—a gain of \$656,578.02 over 1926
3. \$4,703,180.02 in total assets—a gain of \$765,563.69 over 1926
4. \$29,310,296.00 in new Life Insurance written in 1927—a gain of \$7,038,069.00 over 1926
5. \$48,454,330.00 Life Insurance in Force December 31, 1927—a gain of \$13,186,220.00 over 1926

A Complete Insurance Service for 1928

B. M. A. salesmen are equipped to provide complete insurance service to their clients, including:
Life—Accident—Health—All forms of old-line-legal-reserve life policies. Accident and Health policies providing full life indemnity for sickness and accidents, and hospital benefits when confined to a hospital.

Group Life

Salary Investment

Educational Insurance

Complete Financial Service under our famous All-Ways policy—which actually

"Pays All Ways and Always"

BUSINESS MEN'S ASSURANCE COMPANY

W. T. GRANT, President

Kansas City, Missouri

Nine Years Steady Progress

Premium Income

1919—\$29,076.54
 1920—85,523.90
 1921—100,283.09
 1922—133,327.90
 1923—281,033.54
 1924—398,401.25
 1925—529,738.02
 1926—715,689.39
 1927—823,911.46

There Are Many Reasons

SATISFIED POLICYHOLDERS

Help SATISFIED REPRESENTATIVES

Make SUCCESSFUL RECORDS

Writing Life, Health and Accident Policies

on the
Weekly, Monthly and Annual Plans

Exceptional opportunities in ILLINOIS, INDIANA AND MICHIGAN
 to make connection direct with

UNITED STATES MUTUAL INSURANCE COMPANY

2721 SO. MICHIGAN AVENUE - CHICAGO, ILLINOIS

*Where Your Efforts Will Be Appreciated and Rewarded
 by Men Who Know Your Problems*

O. T. HOGAN, President

OPPORTUNITY KNOCKS!

For Twenty-five Years
 the

INTER-OCEAN CASUALTY CO.

has stood for
 all that is **BEST** in **DISABILITY PROTECTION!**

Always PROGRESSIVE!
Always READY to SERVE
both AGENT and POLICYHOLDER!

OPERATING
in
35 States

DESIRABLE TERRITORY AWAITS COMPETENT MEN!

Address

HOME OFFICE
Cincinnati, Ohio

J. W. SCHERR, President

W. G. ALPAUGH, V. P. & Secy.

and the accident policy was one of the most important parts of the required protection. The insurance companies came to the rescue and passenger travel is now freely covered on the regular passenger lines with ticket coverage available by the day for either passenger or private planes, excluding, of course, stunt flying.

Both agent and company are involved in the scientific and social aspects of accident and health insurance as affecting the future. The amount of science used in the sale has a direct bearing upon the present and future development of our line of insurance. Even though I may be invading a field not anticipated in the subject allotted to me, I am going to discuss briefly the accident and health sale. The accident and health policy could be considered as being divided into three parts: 1. Accidental death and permanent dismemberment. 2. The income portion from both injury and disease. 3. The extra benefit portion designed to take care of the unusual extra expenses incident to illness or injury.

Primary Purpose Is Protection of Income

The primary purpose of accident and health insurance is the protection of income, with a secondary emphasis on the accidental death. The sale should, therefore, be built around the income feature, with whatever credence is to be given to the accidental death portion depending upon the particular needs of the prospect. The hospital benefits, the nurses' fees, the operation fees, the schedule of injuries, the registration fees and whatever other extra benefits are a part of the policy are certainly a source of comfort if they are necessitated in a disability, but they are not as relatively important to the policyholder as the emphasis of many agents would imply in the sale of the policy. Agents have been known to center their sales around the registration fee, which is of such minor importance in claim payments as to be of infinitesimal value; other agents weave their sale around the hospital or operation benefits, which has more justification; but still the elementary purpose of the sale, income protection of a set amount a week, is left in the background.

Stereotyped Line of Sale Is Dangerous

The greater part by far of the claim payments is for weekly indemnity; conversely, this weekly indemnity is the all-important part of the policy. The sale will be more efficient from the buyer's and seller's standpoint if the demonstration is concentrated on the weekly indemnity and death benefits, with only a supplementary explanation of the extra features. The buying motive will be augmented with no loss of any of the sales argument, and the policyholder will be obtaining a truer picture of the policy that he is buying.

Every purchaser of insurance is of a different temperament and has an individual psychological makeup; furthermore, the financial and business conditions widely vary. A stereotyped line of sale is dangerous, as the public can quickly discern the lack of true knowledge which usually hides behind a cut and dried sales talk. Also wherever possible, high pressure methods, which are very seldom necessary, should be avoided, as the lack of sincerity is immediately evident.

Double indemnity is another part of the sale which is capable of study. Double indemnity is responsible for the breaking down of the sales resistance of thousands of policyholders, but if not skillfully used by the agent it can be harmful in the impression given the prospect.

Economically we are strong, and the industrial and commercial status of the present would be far less fundamentally sound without the shock absorber of income protection. We are weak, however, in one vital element which must be remedied. To properly perform the function entrusted to us we should have

a complete program of income protection regardless of the cause of the disability that induces the loss of working time. It is just as essential that a wage earner receive protection of income if he is unable to work due to diphtheria as to a broken leg; it is just as important to take care of the worker and his family if he be unable to work on account of appendicitis or due to a fractured coccyx. Accident insurance has a much more solid foundation, is less expensive with greater coverage and is consequently much easier sold and more frequently sold than the combined health and accident coverage. Health insurance is in a chaotic condition and the agent is selling less every day in proportion to the accident policies, with the result that a complete program of income protection is lacking.

Health Insurance Now Unprofitable to Companies

Health insurance is unprofitable to the companies and has not worked satisfactorily for the agent and various steps to place it upon a better scientific basis have not been successful. The raising of rates has resulted in a selection against the company in that the better risks drop out and only those who are most likely to need the coverage remain (to a man definitely or vaguely threatened with ill health no practical rate is too high; whereas, to a man in the best of health there is a rate above which he will drop out and not carry health insurance); the lowering of the policy provisions have had the same effects but not as drastically as the raising of rates; the placing of an elimination may solve the problem but the results of the attempts at this solution have not been overly encouraging; a more careful selection of risks based upon a scientific survey of the causes of the high loss ratios might in time be effective; or a grading of rates according to occupations for health coverage might to a small degree be of assistance.

Find Solution Only by Experiment and Research

The eventual solution can be found only by experimentation and research and if we accomplished nothing else in the next decade in the way of advancement but could place health insurance on a par with accident insurance so that the policy could be universally carried, we would indeed be enacting a worthy achievement.

The future of accident and health insurance cannot be impaired, as there is too much inherent worth from a sociological and economical standpoint and our agent of the future will be a moving force in the life of the community. We as agents and as companies will prosper and grow much more rapidly and substantially if we actively steer our future course with all of our energy, brain power and strength.

Platform for Future Guidance Is Suggested

If we were to advocate a platform for the guidance of our infant, and accident and health insurance has not even begun to show its adult qualities or proportions, we could insure its bright future by directing it according to the following resolutions:

1. To make an exhaustive research into health insurance by cooperative analysis and experimentation so that health insurance can be universally purchased and thus fulfill its economic function.

2. To continuously study the development of science and inventions so that we shall not be found wanting if we are called upon in the furtherance of industry and commerce for the protection of the hazards which this advancement might entail.

3. To sincerely and earnestly keep up and advance the ethical and moral character of our profession.

4. To conduct ourselves as company men and as agents with the predominating thought of public trust placed with us.

Agents' Relation to Their Companies

Supervising Agents

BY E. J. FAULKNER,
President Woodmen Accident

THE best supervision of the health and accident agent is that which supervises least. This statement, I know, will bring down upon my head the wrath of the quota fiends, the schedule makers, the treasure hunt artists, the sales plan expert, the pep letter addict, the daily reports tickler, the contest whooper and all the rest of the guide, advice, plead, threaten and cudgel fraternity. Nevertheless, I intend to brave the storm of all these because our sales organization has survived and prospered without the use of a lot of frill selling methods.

If I have been too severe in my opening statement let me add that I do not know how much greater we might have built by use of more of the accepted trappings of sales management. That must ever be a dark mystery.

Sales Can Be Increased by Prizes and Bonuses

I do not mean to convey the idea that the sole duty of a sales manager is to hire salesmen and turn them loose to work promiscuously, nor that a sales organization can be successfully operated without the use of some sales stimuli, and I know from experience that sales can be increased by the use of prizes and bonuses. I believe that the use of cash prizes and bonuses has its place in every sales organization.

In talking of salesmen and their man-

agement we must first consider the service they have to offer, for the stability of the service is fundamental to the agent's success. The superior salesman can for a time sell almost anything, but not so the average man, who must always be considered in discussions of this sort. If he does not have something saleable no amount of management is going to make him successful. Therefore, the responsibility and support of his company plus a service of universal need and genuine worth are first of all necessary.

Inspire Salesmen With Bigness of Profession

For the sake of argument I will assume that the salesmen I would manage have all of these things. Then it is plainly my duty to see that they are directed to the mutual satisfaction of themselves and the company which they represent. This brings me back to the first statement and I repeat we have discovered that the least supervision is the best, plus one vital and all important fact, which is the key to the whole thing. It is simply this: Inspire the salesman with the bigness of his profession, the possibilities of service to his fellows, and last, the material gains for himself, which are assured to naturally follow a good work well done.

We must start, therefore, with a sincere and honest belief in the mission of insurance on the part of the sales manager himself. For he may not hope to convey that sincerity of purpose, that crusader's spirit to the minds and hearts of the salesmen if he is not himself insurance minded. No man can inspire others nor create that spirit of crusading so necessary to the selling of insurance if he has before his eyes nothing but the

vision of moneys which he hopes to gain through the activities of the men under him.

I believe the difficulties of sales management in most cases are fundamental; that they lie deep in the very roots of the business itself and that more times than not the manager is urging on an unwilling force of half-believers in an attempt to have them sell something in which he himself does not fully believe, something which he knows will not fulfill the glowing promises which are repeated in the selling talk.

This is a severe charge, but is it not more than passing strange that many officials of insurance companies have not observed that the ills which beset our business come primarily from within the business itself?

Example of Evils Within Business Itself

As an example of what I mean by the evils for which the business is itself responsible, what other impression than that of trickery can the public have of a company that will issue a policy, on the face of which appears in large letters the words "non-cancellable," only to find that some place within the document in small type it is provided that the company may refuse to accept a renewal premium. In my estimation, such a practice is dishonest and any company issuing such a policy casts a reflection on the entire insurance business. And in my opinion an agent working for such a company can not have a great deal of respect for it. He must gain the impression that the company is out to do the public and the servant is pretty apt to follow the example of his master.

Claim Man's Viewpoint

BY EDGAR HAROLD,
Claim Representative Pacific Mutual

THERE should be a large measure of cooperation among all those who have any interest in, or anything to do with, insurance, and particularly between the adjuster and the agent—the contract making and the contract fulfilling agencies of the business. If one department of the company is at war with another, failure is inevitable. The adjuster should be and is as nearly a disinterested person as it is possible to have. He receives a salary, the amount of which is in no sense dependent upon how much or how little he pays upon any claim. He is charged with one duty and one obligation and that is to mete out even-handed justice. In the payment of a claim, the profit and loss sheet is no concern of his—whether the premium charge was adequate or inadequate, whether the contract was a wise one or a foolish one is not material. The contract as made and the facts as they are should be the full measure of his discretion.

In the discharge of this duty he should be careful not to injure or prejudice the rights or interests of anyone. Though he may have settled the claim with meticulous accuracy and care, if he has done it ungraciously or unskillfully or undiplomatically he may have aroused a hostility in the mind of the claimant against insurance in general, and if so, he has injured the claimant,

FORTY-TWO
YEARS OF SERVICE
1886—1928

The North American Accident Insurance Co.

209 So. La Salle St., Chicago, Illinois

Oldest and Largest Company in America Writing
Accident and Health Insurance Exclusively

District Managers and Representatives
WANTED

Geo. F. Manzelmann, Agency Director

A GOOD YEAR TO CONNECT WITH A GOOD COMPANY

TO LIVE WIRE AGENTS WE OFFER

1. The best balanced line of Accident & Health policies ever issued.
2. Unexcelled claim service.
3. Full Commission Contracts.

TERRITORY OPEN IN 41 STATES



SOUTHERN SURETY COMPANY

Des Moines, Iowa

Claims Paid, Over \$31,000,000.00

"You can succeed with the Southern"

MONARCH ACCIDENT - - - LIFE INSURANCE COMPANIES

Attractive and well-balanced contracts of life and disability insurance for average incomes.

Policyholders limited to Members of the Masonic Fraternity and Order of the Eastern Star.

Write to:

Agency Department, Springfield, Massachusetts

he has injured himself, he has injured his company and he has injured any members of the insuring public to whom this hostility may be conveyed.

Agent Likewise Has His Duties and Responsibilities

The agent has likewise his duties and responsibilities and should not needlessly assume others. The preparation of contracts, the fixing of rates and the conservation and investment of the funds and the executive policy of the company are home office prerogatives and the agent should not unnecessarily concern himself about them. He should recognize that the home office, like the granaries of Egypt, is a storehouse of the funds accumulated during the years of health and prosperity to be distributed when adversity comes, and even more—a storehouse of experience and knowledge.

The agent should make it his concern to know what he is selling, to know the contracts, the rate books, and the underwriting rules and requirements of his company. He should seek to submit applications only from those who measure up to these requirements. He should make it his concern to see that the policy is well and properly sold and permit no applicant to be misled to his prejudice by anything he may say or leave unsaid. If the agent permits the applicant to believe he is getting more than the policy allows, he is storing up trouble for the future because a dollar in premium buys only a dollar in protection.

See That Company Is Fully Apprised

The agent should see that the company is fully apprised of all the things about which inquiry is made in the application. Unless the company is given all the material facts there can be no meeting of the minds and hence no valid contract can come out of it. If the agent has asked all the questions and inserted the answers as given but the applicant has withheld or misrepresented the facts, then it is his responsibility and he alone should suffer. They talk about incontestable policies. Let me tell you that every policy is incontestable, in the application for which the applicant tells the company the truth, the whole truth and nothing but the truth. Facts are the most important of all things in the making and discharging of contracts. The applicant must give the facts, the agent must report the facts, the company must know the facts, and the parties will be bound by the facts and the facts only. It is comparatively easy for the underwriting department, when the facts are before it, to apply the underwriting rules and pass upon the application.

When a loss has arisen and all of the facts have been obtained it takes no great ability or skill for the adjuster to

apply the facts to the contract and determine the correct course of action. It is with respect to this matter of facts that the agent can render the greatest service to the adjuster.

Agent Must Work With Adjuster

If he knows anything that will tend to show that the claim is a just one, by all means he should tell it to the adjuster. The sooner such claims are paid the better for all concerned. If he knows of facts which would establish that the claim has no merit, and should not be paid, he should give those facts to the adjuster. He owes this much to his company and his other policyholders. He should not, however, assume the duties and responsibilities of the claim man. His time is too valuable for that. It should be devoted to productive work. The adjuster is charged with the duty to settle claims and to settle them right. You will find that the one whose business it is to handle a particular matter will come more nearly handling it right than any other person however competent who has only a casual relationship to it.

Agent's Influence in Loss Ratio Important

Claim departments cannot control or greatly influence loss ratios. Agents to a large extent can. They make the initial selection of the risk. If that selection is carefully and wisely made, the business will be profitable. Any lack of care or judgment in the selection will be reflected in the loss ratio. Claim men can influence loss ratios only indirectly, and that to the extent their methods of handling claims stimulate or depress production. If they do their work accurately, expeditiously and well, the production will increase and as production increases the agent will prosper, the company will grow and the rainbow of promise painted for the policyholders will be fulfilled, and it is in the fulfillment of contracts that our work will be justified.

Commissioners Represented

Ray A. Yenter of Iowa, who was on the program for the meeting, and C. C. Wysong of Indiana represented the insurance commissioners at the conference meeting. There was a good representation of ex-commissioners, including H. L. Ekern of Wisconsin, James Victor Barry of Michigan, now with the Metropolitan Life; James A. Ramey of Kentucky, now with the Washington Fidelity National; R. J. Merrill of New Hampshire, now with the United Life & Accident, and Gustaf Lindquist of Minnesota, now with the Travelers Equitable. J. R. Leal of the Interstate Life & Accident and Sam C. Carroll of the Mutual Benefit Health & Accident were also formerly insurance department attaches.



E. J. FAULKNER
Woodmen Accident



F. L. BARNES
Sentinel Life

Public Relations Difficult Problem

THE difficult public relations problems encountered in the accident and health field were brought out at Wednesday's conference session by Clifford Elvins of the Imperial Life of Toronto, president of the Insurance Advertising Conference, which had expected to be able to submit a report on the survey at this meeting, but was unable to do so. Mr. Elvins said that it had been found to be by no means an easy problem and not nearly so simple a matter as he had supposed when he extended the offer on behalf of the Advertising Conference to make such a survey at the Toronto meeting last fall. He added that he had no desire to submit a half-baked plan and desired to make the survey much more complete before submitting any report.

Letters Sent Out to Prominent Field Men

In an effort to obtain a cross section of the public reaction to accident and health insurance, letters had been sent out to 190 prominent field men whose names were contained in a list obtained from Harold R. Gordon, executive secretary of the Health & Accident Conference. Mr. Elvins said that some very interesting material has been obtained in the replies to these letters, but that there were not enough of them and it probably would be necessary to circularize a still larger list. These letters, he said, disclosed things that the desk men in head offices often fail to appreciate.

Business Suffering From Unreasonable Competition

More than any other class of insurance, he declared, the accident and health business is suffering from unreasonable

competition. There are too many "frills," in which he said, from his experience with those that have been adopted by life companies, the public is "darned little interested." There are too many settlements that are open to dispute. The policyholder may be getting all that he is entitled to, but if a man thinks he is not, the effect on the public viewpoint is just as bad. He commended very highly the movement for uniform phraseology of some of the important policy provisions as a decided step in the right direction.

Not Yet Ready for Cooperative Advertising

In regard to suggested plans for cooperative advertising, he expressed a serious doubt as to whether the business is ready for it yet. "If, as I suspect, its good will with the public is considerably below par, would it improve matters any to lead the public to expect still more, when it is not getting what it expects now?" he asked. He considered that cooperative advertising would be desirable sooner or later, but when that stage is reached, there will be a big question as to what kind, and how it is done.

Mr. Elvins emphasized throughout his talk that he was not suggesting that the accident and health companies are not treating their policyholders fairly, but giving merely what seems to be the public reaction along that line.

Primarily Concerned With Relations With Public

Mr. Elvins emphasized that the Insurance Advertising Conference is not primarily concerned with the idea of cooperative advertising or any other sort of an advertising program, but with the

relations of insurance with the public. The form of policy contract, unfair competition and the class of agents employed all have their effect along this line. He advised that every company should have some man in its home office organization, preferably not to be called an advertising man but a public relations man, who should be taken into the company's councils. When changes are contemplated along any line, he should be consulted, and would often be able to give important suggestions or advice as to how these changes would react on the public.

Confer With Educational Committee of Conference

Mr. Elvins suggested that some committee of the conference be given authority to confer with the Insurance Advertising Conference regarding the survey that it is making and the preparation of a report to be submitted at the next meeting. This authority was delegated to the committee on educational publicity, of which E. C. Budlong of the Federal Life is chairman. Speaking for his committee, Mr. Budlong expressed his entire approval of Mr. Elvins' remarks and again expressed the belief which he had voiced before that it is impractical for the conference, at least at the present time, to launch into any extensive advertising campaign.

S. C. Carroll of the Mutual Benefit Health & Accident was inclined to question the suggestion that there is an unfavorable feeling on the part of the public towards health and accident insurance as such. He contended that any complaint that a dissatisfied policyholder might have was directed in most cases merely toward an individual company and not toward the business as a whole.

C. O. Pauley of the Great Northern Life said that there is "no use sticking our heads in the sand. We might as well admit that there is dissatisfaction. We must get the business to a point where we can convince the public that all companies are on the square, and not merely one." He referred to the different viewpoint held regarding life insurance. If a life company contests a claim, people generally are likely to think that there is probably something wrong about it, but in accident and health insurance they are more likely to think that the company is in the wrong. The problem is to put accident and health insurance on the same plane with life insurance in this respect.

B. B. Paddock of the Central Casualty asked what is to be done "if the courts say we are wrong. If any man can write a policy that would stand up in the courts, I'd like to see it and would like to sell that policy," he added.

Commissioner Yenter of Iowa Is Speaker

The question of public relations was also brought up to some extent in the address of Ray Yenter, insurance commissioner of Iowa, at Wednesday afternoon's session. Mr. Yenter's address was largely a review of the powers and duties of the insurance department but he touched on some general points, such as the selection of agents, stating that they are the men who create wrong impressions in regard to insurance coverage. He said that insurance is much misunderstood, not only from the standpoint of policy coverage, but from the investment standpoint as well. He deprecated the ill-advised purchase of insurance stocks, without regard to the

MINNESOTA COMMERCIAL MEN'S ASSOCIATION

A MUTUAL ORGANIZATION WRITING HEALTH AND ACCIDENT INSURANCE

Only for preferred risks of commercial and professional men

No agents employed

Protection furnished at actual cost—not operating for profit

Annual cost for 22 years has averaged not over \$10.00
for Accident Insurance and \$12.00 for Health Insurance

Principal sum \$5000.00 for loss of life or limbs or Vision

Weekly benefits \$25.00 for two years

Membership fee \$2.00 pays for Insurance to June 1st, 1928

Write for literature and application blank to

A. J. ALWIN, Secretary-Treasurer

Plymouth Building, MINNEAPOLIS

Travelers Equitable Insurance Company

Minneapolis

Minnesota

G. Lindquist, President

LIFE HEALTH—ACCIDENT

1892 - Thirty-five Years - 1928
of Service

MASSACHUSETTS ACCIDENT COMPANY

BOSTON, MASS.

Established 1883

Specialists
in
Accident and Health
Insurance

INDEMNIFIERS FOR OVER FORTY YEARS

character or management of the company. He declared that the trend is toward a further extension of supervision. He advised that the companies should get together on uniformity of policy provisions, and asserted that if they do not, it will be done by legislation.

Mr. Yenter, who was disabled for many weeks by reason of a hunting accident in which the bones of his leg were shattered, is still on crutches, but

is gradually regaining the use of the injured leg.

The only other formal address Wednesday was by James S. Kemper, president of the Lumbermen's Mutual Casualty of Chicago, a recent addition to the conference ranks. Mr. Kemper spoke on "Organization in Business," devoting his remarks almost entirely to a review of the work of the Chamber of Commerce of the United States, of which he is a director.

Social Value of Accident and Health Insurance Is Stressed

A STRIKING presentation of the fact that the loss sustained through ill-health or accident is not an individual matter but has almost illimitable effect on the community at large was given at the opening session Tuesday morning by Allen D. Albert of Evanston, Ill., past president of Rotary International, speaking on "The Social Aspects of Accident and Sickness Insurance."

Dr. Albert reviewed the suggestions advanced by Prof. S. S. Huebner in regard to the economic value of human life and the fact that while the English speaking nations have very generally recognized the importance of life insurance and property insurance, but have not appreciated the economic effects of a temporary interruption of income.

Economic Effect of Disability Widespread

In taking up in more detail the argument against the idea of an individual as against a social loss, he said that aside from the direct effect on relatives and friends, there is hardly an employee of importance whose post can be vacated even temporarily. Furthermore there is a decrease in purchasing from merchants of all sorts, which in turn affects their relations with the houses from which they buy. The effect is so widespread that it is difficult to find the last link in the chain.

He stated that a readjustment in the case of the breadwinner is often easier to effect than in the case of disability, as when a man suffers a physical breakdown his family is unwilling to accept the idea that he will never be a worker again. Insurance against such a contingency is therefore especially necessary.

Gaining in Contest With Death, Not With Accident

Recounting some of the achievements of modern medicine in increasing the average span of life, Dr. Albert said that society is gaining in the contest with death, but not with the accident hazard. He gave some striking statistics on accident frequency to show that this is so.

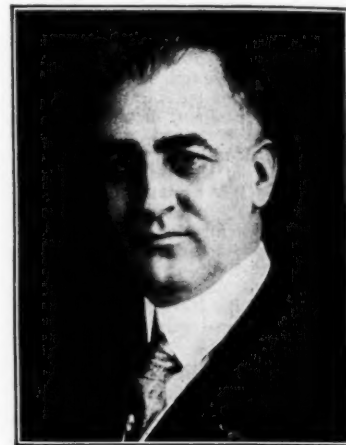
In regard to the failure to secure proper protection along this line, he declared that there is a disinclination on the part of the public to think of insurance at all, and especially of the idea of sickness or accident. While raising some friction with regard to certain provisions of accident and health policies, he said that the great need is not better policies but a better understanding.

"When insurance reduces or affects the waste of an accident or a sickness," he asserted, "it is contributing direct income to every legitimate business enterprise of the neighborhood."

The address of welcome was given by R. W. Stevens, president of the Illinois Life, who took occasion to poke a little fun at some of his friends in the accident and health business, especially those that are writing life insurance as well. He said that his only experience in connection with accident and health insurance was in connection with certain "contraptions" that had been introduced into life insurance, and from that he had concluded that it is an "unknowable business." He emphasized the importance of facing all issues squarely, in connection with underwriting prac-

tices and stressing volume less than its effect on the company's reserves and surplus.

A brief review of the present legislative situation was given by E. J. Faulkner of the Woodmen Accident in reporting for the legislative committee, of



J. R. AUSTIN
United Craftsman

which he is chairman. He mentioned some of the bills unfavorable to the business now pending or already passed by state legislatures which held sessions this year and spoke especially of the need for greater cooperation on the part of the companies to combat or head off such legislation.

James F. Ramey of the Washington Fidelity National spoke particularly of the tax increase in Ohio and the one provided in a bill before the Kentucky legislature, stating that he had had word that the Kentucky bill probably would be passed within a day or two. He said that bill would cost the company \$500,000 a year. He expressed the belief that the companies should be more militant in opposing measures of this sort.

Definite Program Needed, H. L. Ekern Declares

The matter of legislation was also touched upon by H. L. Ekern, former insurance commissioner and attorney general of Wisconsin, who was in attendance at the meeting and was invited to the floor by President Scherr just at the close of the morning session. He declared that legislators are for the most part fundamentally honest and said that if the companies would take the position that they are willing to pay their fair share of taxation, but no more, rather than being put into the position of trying to evade tax burdens, the legislators will usually be willing to listen to them.

He emphasized the necessity for having some sort of program in approaching any matter of legislation. "Know what you want," he said, "go out with a definite program, and stand for that."

Mr. Ekern also declared his strong belief in the value of conventions and the cultivating of the get-together spirit. No one need step on anyone else's toes to get business, he said, and all those in the business should stand together, instead of in opposition to each other.

FEDERAL LIFE INSURANCE CO.

Isaac Miller Hamilton
President

CHICAGO

UP-TO-DATE INSURANCE MEN

can sell our
complete line of

**"Human Being
Insurance"**

Life Policies and Non-Can-
cellable Disability
Insurance

Same examination

Hospital, Surgical & Nurse
Expense Policy, for all
members of family
Age 10-65

Automobile, Travel &
Pedestrian Policies, for
all ages—10-65
Costing \$2.00 to \$10.00

Send Coupon for Information

Federal Life Ins. Co.,
Chicago, Ill.

Am interested in your "Human
Being" Insurance Plan, and particu-
larly in

Life Insurance ☐ Hospital Policy ☐

Monthly A. & H. ☐ Auto Policy ☐

Non-Cancellable
Disability Policy ☐

NAME

ADDRESS

LIVELY DISCUSSION ON AGENTS' LICENSE PLANS (CONTINUED FROM PAGE 1)

not believe the Massachusetts require-
ments are detrimental in any way to
any legitimate company or legitimate
agent. There are six questions to test
the applicant's general insurance knowl-
edge and all the others are strictly on
accident and health insurance, cover-
ing the standard provisions and other
provisions that are obligatory in Mas-
sachusetts.

Referring to a list of questions from
another state, he said, however, that
although he has been in the business for
25 years, he could not answer more
than four out of the 20-odd questions.
The only criticism of the Massachusetts
plan has been that the examinations are
not held often enough, but he said that
if it is possible to keep up the prospec-
tive agent's interest for a number of
weeks, it is pretty good evidence that
he has been sold on the business.

Lindquist Argues for Standard Policy

Gustaf Lindquist of the Travelers
Equitable, former Minnesota commis-
sioner, told of the results of the agents
qualification law put into effect in Min-
nesota when he was commissioner. He
said that the agent is a material factor
in the doubtful standing of the business,
but that he is aided by hundreds of
ambiguous policy forms. He argued for
a standard policy.

Mr. Ramey insisted that a standard
accident and health policy is as impos-
sible as a standard automobile. "You
can't Fordize the accident and health
policy," he declared. He referred to the
fact that the fire companies have an
absolutely standard form, but still have
controversies over settlement of losses.

John Patterson of the Massachusetts
Bonding told of the license situation in
several of the eastern states, saying that
the situation is fairly satisfactory in
Massachusetts but not so much so in
two other states. He spoke of the
special problem encountered by multiple
line companies, such as his own, due to
the fact that the commissioner in one of
these states holds that where an agent
is licensed for the company he is author-
ized, so far as the department is con-
cerned, to write all lines that the com-
pany writes, even though his authority
from the company may be restricted to a
particular line, such as accident and
health. He cited some of the question-
naires that accident and health men
have to fill out.

Say Rulings Directed Against Part-Timers

Mr. Manzelmann spoke of the differ-
ence between Massachusetts and Penn-
sylvania and said that the rulings in the
latter state seem to be directed against
part-time men. He declared many of
the best men in the business, both in
agency and company ranks, started as
part-timers. He said his company has
so far been able to qualify but one man
in Pennsylvania and that many of its
best agents in that state will undoubt-
edly be unable to pass the examination
as now conducted, when their licenses
come up for renewal.

Barry Made Honorary Member

James Victor Barry, fourth vice-presi-
dent of the Metropolitan Life, former
insurance commissioner of Michigan
and still deeply interested in that state,
was made an honorary member of the
Health & Accident Underwriters Con-
ference by unanimous vote of its mem-
bership at the session Tuesday after-
noon, on motion of C. O. Pauley of the
Great Northern Life. Mr. Barry has
been intensely interested in the confer-
ence from its earliest days and is a reg-
ular attendant at its meetings. He was
on hand as usual this time, and was
called on for a few remarks at the close
of the Tuesday morning session.

Constructive—Helpful—Inspiring!



Waco—

is not just another House Or-
gan, it is vital — alive — filled
with interesting, helpful and
practical selling ideas that
work. Seasoned by short,
original editorials to inspire
and uplift. More than this,
WACO is the tie which am-
plifies and explains a unique
and original advertising plan

which is supplying Woodmen Accident salesmen with literally
thousands of actual prospects for accident insurance.

Woodmen Accident Company
Lincoln Nebraska



Come to Philadelphia

We join with Philadelphia Chamber of
Commerce in its invitation to the HEALTH
AND ACCIDENT CONFERENCE to hold
its next meeting in Philadelphia where every
accommodation and convenience is offered to
the "conventioneer."

Visit Independence Hall, see the famous
Liberty Bell, Valley Forge and other mem-
orable historic places.

You'll never be sorry if you do.

Commonwealth Casualty Co.

(OLDEST PHILADELPHIA CASUALTY COMPANY)

H. C. STEWART
President

Philadelphia

E. W. COOK
Vice-Pres. & Gen'l Mgr.

Insurance Departmental Supervision

By **RAY A. YENTER**
Iowa Insurance Commissioner

JUSTIFICATION for the acceptance of an invitation to address this convention is possible only on the theory that, as commissioner of insurance of a state of some consequence, I have had an opportunity to observe from the departmental standpoint the workings of the business from various angles, the home office, the agency organization, and the public. The public in many cases looks to the various departments, not only for a guarantee of solvency and ability to pay in case of loss, but for assistance in determining the type of contract best suited to their use, even going so far as to demand in some instances that they be advised what company or what agent to patronize.

Complaints to the departments as to

adjustment and settlement are of frequent occurrence. In this connection I might state that much litigation in connection with loss settlements has been avoided by virtue of departmental recommendation. It is, I believe, conceded by lawyers, courts, company officials and the departments themselves that we do not have the power to make findings of fact or determine the law applicable in controversial manner. This fact, however, is not well understood by the public, and I regret to state that I have observed instances of agents creating the impression that departments are all powerful

in such matters. This is detrimental to the business of insurance and unnecessarily renders departmental registration more difficult.

Selection of Agents of Paramount Importance

The selection of agents, the connecting link between the companies and the public, is of paramount importance to the business. It is my opinion that the importance thereof is sometimes lost sight of, in the rush for business. An unfair competitor sometimes forces the employment of men who are not as scrupulous as they should be; men who do not hesitate to create erroneous or wrong impressions as to the real conditions and terms of the contract to be issued. Dissatisfaction almost invariably issues; it becomes cumulative and adverse court decisions and legislation are the fruit thereof.

The responsibility of insurance supervision has increased in the past few years by leaps and bounds, as has the business of insurance itself. The business affects in some manner the pocketbook of every citizen; our entire business and social structures take cognizance of it and build accordingly. It is a business involving the highest type of trust and its future as well as the stability of our enterprise is dependent upon the honest, capable and fair administration of the trust imposed.

Business Rendering All Possible Assistance

I am more than glad to state, based upon my observation of the business, that its affairs in large measure are honestly and completely administered. The men who have the interest of the business at heart render all possible assistance to the supervising officials to render impotent the financial wolf and hijacker, who are attracted by the tremendous sums of money involved and accumulated.

The office of commissioner or superintendent of insurance is as important, may I say, as the business itself. The office should be kept out of politics. The commissioner himself should be a man of many qualities, impervious to sinister influences, seeking special or unwarranted privilege, or license to violate the law, or tenets of the business. He should possess an executive ability and judicial temperament, deal with his problems free from caprice, do justice and equity to all parties regardless of extraneous conditions.

Commissioners have been known to make mistakes, and I can assure you that there is one way in which the executive

can cooperate, which is appreciated by the insurance commissioner. You can sympathize with, and give him the benefit of your experience. He should have your support in the administration of his official affairs, and know full well that he can depend upon the business itself to sustain him so long as he deals fairly.

Commissioner's Duties of Infinite Variety

The duties of a commissioner or superintendent are manifold and many, of infinite variety and, not infrequently, difficulty.

Besides his licensing and inquisitorial powers, the commissioner has effective power of enforcement through judicial processes. The latitude of his power is considerably enhanced by the informality of his procedure. He does not need to call a meeting or formal hearing to make a decision. He can retire and make it alone. He has the power to subpoena and examine under oath, witnesses and



RAY A. YENTER
Iowa Insurance Commissioner

their records. This power is, I believe, infrequently used. Usually investigation is made by a personal conference, letters, or inspection of records and documents. He has considerable control over judicial enforcement; his findings are usually given considerable weight by the courts. An able writer has recently said of the insurance commissioner: "He is partly legislative, partly judicial, partly executive and I defy anyone to tell just when he ceases to legislate, begin to adjudicate or to execute."

It is apparent that the trend of the times is toward broadening of what is

**Well and Favorably
Known
The Country Over**

**Massachusetts Bonding
and Insurance Company**

Home Office—Boston, Mass.

T. J. FALVEY, President

**An Outstanding
Casualty and Surety Company
A Leader in
Accident and Health**

THE HOOSIER CASUALTY COMPANY

INDIANAPOLIS, INDIANA

An Indiana Company and a Stock Company Writing

ALL COVERAGES ON AUTOMOBILE AT LIBERAL PREMIUM RATES

Also

ALL FORMS OF HEALTH AND ACCIDENT INSURANCE

CAPITAL, \$100,000.00

ASSETS, \$376,000.00

GOOD CONTRACTS TO REAL PRODUCERS

C. W. RAY, President

sometimes termed administrative law. For instance, interstate commerce commissions, banking commissions, insurance commissions and others, which are the product during the past quarter to half century of the law making and enforcing machinery of the country. The range of control conferred by Congress and the state legislature upon subsidiary law making bodies, such as commissions, heads of departments and boards, has grown materially during that time. A considerable percentage of the laws passed by the various legislative bodies are conditioned upon rules and regulations emanating from enforcing authorities. The control of insurance, utilities, banking, finance, the professions, health and many phases of our activities is building up a body of law not written by legislature, and adjudication not pronounced by courts. It is a special field of law developing which has obviously become inevitable. The various departments and commissioners of federal and state government are illustrative. The doctrine prohibiting the delegation of legislative power has receded far in the face of the accumulating powers of such agencies.

There will, in my opinion, be no receding or withdrawal from these experiments. They will, on the contrary, be

number of people that there is some magic about the money-making prowess of an insurance company. They make no distinction between class or kind of company, simply believing that ownership in a company is a short route to the promised land. This fallacy has been partially exploded during the past few years, in some instances with considerable of an explosion. The ill-advised purchase of insurance stocks and consequent injury to the business would largely cease, if it were generally understood and known that careful, conscientious and scientific management is a condition precedent to successful money making operation in the business of insurance, the same as in the steel business, the textile or any other great industry.

The true merits of the business are ample justification for its existence and unhampered operation. It does not need to be misrepresented in any way by the salesman to create a market for his commodity. Any publicity campaign or steps taken to secure general understanding is beneficial to the business, a handicap to the jackal, a deterrent to hampering legislation and an eliminator of the necessity for multiplicity of departmental rulings.

It would be presumptuous on my part to offer suggestions to this convention concerning the technique or detail of the accident and health business. If I were to presume to offer a suggestion, it would be that the efforts of this body be directed to the securing of uniformity of policy provisions. I am of the opinion that if you yourselves do not do it, it will be done for you by legislative enactment.

Greetings from Other Organizations

J. R. Leal of Interstate Life & Accident, president of the Industrial Insurers Conference brought greetings from that organization at the opening of Wednesday morning's session. He said that it has found the best way to solve the problems before it, paralleling in many respects those of the Health & Accident Conference, is through conference and council.

At the same session a telegram was read from F. L. Templeman of the Maryland Casualty, chairman of the governing committee of the Bureau of Personal Accident & Health Underwriters, conveying its greetings and expressing hopes for a successful meeting.

Frank C. Crittenden, publisher of the conference manual and an associate member of the conference, is ill in a Chicago hospital and was greatly missed at the meeting. The conference voted to send him flowers and a message conveying the best wishes of its members.



F. M. FEFFER
Abraham Lincoln Life

expanded whether theoretically approved or not. It is easier for legislatures and law making bodies to delegate authority in matters involving but little politics, and much research and knowledge of technical detail, than to attempt to work the problem out in its entirety.

Insurance Supervision Depends on Business

The powers necessarily committed to these regulating agencies, which they must have to function, are great and broad and carry with them dangerous opportunity for the exercise of caprice or oppression. If government is to continue a government of limited powers, these agencies must be themselves regulated. The limit of their power and responsibility must be fixed. It would appear that this is a question for our courts, both state and federal. A system of administrative law must and will be developed. The end is not yet. In my opinion the extent to which supervision or the application of administrative law is applied to the business of insurance, depends directly upon the conduct of the business itself. The past few years railroads and other great utilities corporations have conducted publicity campaigns and have taken much of the mystery of their financing and operation out of the public mind, with very beneficial results to themselves. The business of insurance, highly technical as it is, is much misunderstood. I do not believe there is any class of contract so little understood generally and about which there exists so much misunderstanding. It is believed by a surprisingly large

Organized and writing Personal Accident
and Health in Ohio only

CENTRAL CASUALTY COMPANY

COLUMBUS, OHIO

The Largest Purely Personal Accident and Health
Company in the State of Ohio.

Roy D. La Bounty, Agency Manager

35 YEARS OF SERVICE—

Over \$2,600,000.00 in losses paid to Policyholders

SOUND POLICIES

PROMPT SETTLEMENTS

ACCIDENT AND SICKNESS INSURANCE

THE TIME INSURANCE CO.

MILWAUKEE

SECURITY BUILDING

Capital and Surplus \$125,000.00

Agents wanted in Wisconsin and Michigan

C. G. TRAPHAGEN, President

E. GILJOHANN, Secretary

JOHN A. KEELAN, Ass't Sec'y and Agency Manager

FIDELITY Policies *sell and stay sold--*

POLICIES FOR ALL RISKS

Full coverage commercial policies
Personal Auto Accident Policies

Last word in monthly pay policies
Group Policies

MANAGERS WANTED in the following states:
Pennsylvania, Indiana, Michigan, Illinois
Missouri, Kansas and Nebraska

FIDELITY HEALTH AND ACCIDENT CO.

BENTON HARBOR, MICHIGAN

E. C. EDMUNDS
Vice-Pres.

E. C. BOWLBY
Pres. & Gen. Mgr.

A. R. ARFORD
Secy. & Treas.

Member of Conference since 1904

United Craftsmen Insurance Company

Incorporated

Home Office
168 Bridge Street
Springfield, Mass.

Established in 1907

Sells complete protection and NON-CANCELLABLE policies to Members of the Masonic Fraternity, exclusively.

Are you a Mason? If so, are you looking for a General Agency or Special Agency? We can offer you something where you can build a big business selling our NON-CANCELLABLE policies. We are a Massachusetts Company with \$100,000.00 on deposit with the State Treasurer, for the protection of our policyholders.

Write at once for further information.

J. R. AUSTIN

Vice-President and General Manager

Do You Sell Accident and Health Policies?

If you do—you need the A & H Review.

If you don't, you are passing up a profitable sideline.

The A & H Review will help you get started and once started will keep you going. It is the only publication devoted solely and exclusively to the Accident and Health business. It contains real helpful business-getting hints and suggestions. There are special articles on the methods that particular men have used successfully, departments, pictures, and other helpful material. It is an honest to gosh money-maker for H and A salesmen.

You can get this live red-blooded salesman's magazine for a whole year for two dollars. Twenty cents will bring you a sample copy. Act now. You'll never regret.

THE A & H REVIEW

1362 Insurance Exchange
CHICAGO

Work Done by United States Chamber of Commerce Told

By JAMES S. KEMPER

President Lumbermen's Mutual Casualty

ORGANIZED business is now considered an industrial and national necessity, although its development along trade and local lines was for a time more rapid than along national lines. Indeed, it was only sixteen years ago that there came into being the Chamber of Commerce of the United States designed to afford a medium for the expression of the views of American business at Washington.

Policies Determined by Referendum Vote

To me its greatest asset is the manner in which its policies are determined. Here we have no individual or clique control, no determination of policy by a special interest or even by a board of directors. The members themselves, your Health and Accident Underwriters Conference, your state associations, your local chambers determine national chamber policies by the votes cast in referendum after having been given an opportunity to study both sides of the question. The arguments pro and con are prepared by specially selected committees of recognized authorities. Obviously this method, or by resolution at annual meeting after full opportunity for debate and for study by the resolutions committee, insures against ill advised or unrepresentative action.

Takes Stand on Many Important Problems

Thus have been determined and made effective chamber policies regarding the national budget, the Federal Reserve system, the tariff, the postal service, the income tax laws. Thus has it approved compensation laws for injured workmen and their dependents, opposing at the same time the substitution of government for business in connection with the providing of insurance for such compensation.

Thus has it championed the reduction of our national ash heap, sponsoring also the National Fire Waste Council with its Interchamber Fire Waste Contest which an ever increasing number of our cities and towns are actively supporting.

Thus has it sponsored the extension and improvement of the facilities of the individual states with respect to vital statistics affecting the health and lives of our citizens.

Opposes Compulsory Automobile Legislation

Thus has it opposed the demand for compulsory financial responsibility of automobile drivers, believing that the solution of our tremendous toll of life and property through street and highway accidents is education and law enforcement.

The chamber, too, has actively cooperated with the Hoover conference on street and highway safety. The traffic problem in this country is a very pressing and increasingly important one. Much has been said with respect to our having reached the saturation point with respect to the number of automobiles in use. My opinion is that with the growth of the country and its increasing annual income it is folly to count on the solution of the traffic problem through a lessened use of the automobile. On the contrary it seems to me that the situation calls for intelligent and intensive consideration of a high order, followed by definite constructive action.

Support for Traffic Codes Recommended

Out of the Hoover conference have come codes for traffic regulations in cities and towns. Your own association and its individual members can I think

well afford to actively support these codes when they are presented for consideration by legislative bodies. Uniformity is highly desirable. The Hoover codes meet this requirement effectively and their adoption would do much toward solving this very serious problem.

Consistent with its established record as an outspoken advocate of economy in government; consistent with its unwavering support of the principles of budgetary procedure, and consistent with its previous attitude on tax revision, the national chamber, obedient to the mandate of its membership as expressed in the largest vote ever recorded in a chamber referendum, has presented a new tax revision program to Congress now in session.

Oppose Entering of Business by Government

The chamber believes that a greater stress on efficiency in government would materially reduce the cost to its citizens.



H. G. ROYER
Great Northern Life

For this and for other equally sound reasons the chamber is unalterable in its belief that government should not enter any phase of business than can be successfully and economically undertaken by private enterprise.

Business needs organization to keep down legislative nostrums and quackery. Paternalistic legislation has been a favorite panacea too often proposed. Guaranty of bank deposits is an old form of it. A new form recently suggested is a state security fund out of which to pay automobile accident damages which an improvident motorist is unable to pay. United, American business can keep the government out of business and can get more business into government.

THE NATIONAL UNDERWRITER

Published Every Thursday by the
NATIONAL UNDERWRITER COMPANY,
Chicago, Cincinnati and New York.
C. M. CARTWRIGHT, Managing Editor.
PUBLICATION OFFICE, Insurance Exchange,
CHICAGO

Entered as Second-Class Matter, February 24, 1900, at Post Office at Chicago, Illinois,
Under Act of March 3, 1879.

Subscription Price \$4.00 a year; in Canada \$5.00 a year; Single Copies 20 Cents.

NOAH

Did Not Need the Ark Until It Rained
He Had to Build it in Dry Weather

YOUR CLIENTS

Will Not Need Endowment at Age 65 Complete Protection Insurance Until They Are Sick, Injured or Old

If They Have It Then, You
Will Have to Sell It to Them

NOW

Interstate Life & Accident Co.

Home Office, Chattanooga, Tenn.

Open Territory in Arkansas, Georgia and Tennessee

It costs \$4.00 a year to Attend All the Conventions The National Underwriter Way

THIS is an age of conventions, sales congresses, association meetings and get-togethers.

Not so long ago affairs of this sort were few and their worth was looked upon as dubious by many.

Today there is hardly a meeting or convention of insurance men that does not contribute something worth while to the business of insurance.

Of course it is physically impossible for you to attend all the worth-while gatherings, had you the time and inclination to do so.

Thus it is one of the functions of the National Underwriter to attend these meetings for you—to be your proxy—to give you the meat of what transpires.

In order to faithfully report these meetings, besides the full reports carried in the regular editions of the National Underwriter (Fire Edition) the following conventions are reported in fuller detail in our special numbers and special inserts:

The Mid-Winter Health & Accident Conference
The Mid-Summer Health & Accident Conference
The Texas Local Agents Convention
The National Association of Insurance Agents Convention
The Iowa Local Agents Convention
The Illinois Local Agents Convention
The Michigan Local Agents Convention
The New York Local Agents Convention
The Kansas Local Agents Convention
The Ohio Local Agents Convention
The Tennessee Local Agents Convention
The Oklahoma Local Agents Convention
The Fire Underwriters Association of the Northwest
The Indiana Insurance Day Convention

The National Underwriter

:: CHICAGO ::

MEMBER OF THE AUDIT BUREAU OF CIRCULATIONS
ASSOCIATED BUSINESS PAPERS, INC. NATIONAL PUBLISHERS ASSOCIATION, INC.

WASHINGTON FIDELITY NATIONAL INSURANCE COMPANY

Chicago, Illinois

OFFICERS AT THE HELM OF THE COMPANY:

HARRY R. KENDALL, Chairman	GEORGE R. KENDALL, President	JAMES F. RAMEY, Secretary	CLAUDE P. KENDALL, Treasurer
CHARLES B. CRAWFORD, Vice-President	ZACHARY T. MILLER, Vice-President	CURTIS P. KENDALL, Vice-President	HARRY N. LUKINS, General Counsel
L. B. HOGE, Vice-President	J. J. KRIST, Vice-President	T. W. LEONARD, Vice-President	W. KONAWEL, Vice-President

ANNUAL FINANCIAL STATEMENT, JAN. 1, 1928

THE COMPANY OWNS AND HAS ON HAND THE FOLLOWING ASSETS

Cash in Office and Banks.....	\$ 364,634.87
Bonds (Government, State, County, Municipal, Railroad, Public Util- ity and Miscellaneous)	749,988.18
First Mortgages and Real Estate... (Mortgages secured by property worth nearly \$1,000,000.00.)	236,416.65
Premiums in course of Collection, Net Deferred Premiums, Ac- crued Interest, and All Other Admitted Assets	64,324.92

OUT OF WHICH IT MUST ACCOUNT FOR:

Reserves necessary to pay all policies in accordance with their terms, as required by law.....	\$ 360,919.47
Reserves for Policy Claims.....	105,917.18
Reserve for Expenses and Taxes....	113,370.94
All Other Liabilities	8,933.75
Excess Security to our Policyholders of.....	826,223.28
(Which represents \$300,000.00 Capital Stock and \$526,223.28 Surplus.)	

The Company therefore "HAS" ... \$1,415,364.62

\$1,415,364.62

THE COMPANY'S PYRAMID OF PROGRESS

1912 PREMIUMS \$322,384.70
1916 PREMIUMS \$1,042,623.42
1919 PREMIUMS \$1,869,746.22
1922 PREMIUMS \$2,599,223.53
1925 PREMIUMS \$3,775,159.69
1926 PREMIUMS \$5,206,949.90
1927 PREMIUMS \$5,712,466.18

*Its Premium Income during 1927 was more than \$500,000.00 greater than during 1926.
Its Assets were increased by more than \$240,000.00 during 1927.
It has over \$240 of Assets for every \$100 of Liability, an unusually strong financial showing.
It is an Old Line Legal Reserve Company doing business in Forty-Seven States and the District of Columbia.*

IT WRITES THE FOLLOWING LINES OF BUSINESS:

ORDINARY LIFE	COMMERCIAL ACCIDENT AND HEALTH	INDUSTRIAL ACCIDENT
INTERMEDIATE LIFE	MONTHLY ACCIDENT AND HEALTH	AUTOMOBILE (PERSONAL)
INDUSTRIAL LIFE	INDUSTRIAL ACCIDENT AND HEALTH	FRANCHISE
GROUP ACCIDENT AND HEALTH	RAILROAD INSTALLMENT	